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A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1973, and specifies how they are affected.

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

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

Title 24—Housing and Urban Development

CHAPTER X—FEDERAL INSURANCE ADMINISTRATION, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SUBCHAPTER B—NATIONAL FLOOD INSURANCE PROGRAM

[Docket No. FI-186]

PART 1914—AREAS ELIGIBLE FOR THE SALE OF INSURANCE

Status of Participating Communities

Section 1914.4 of Part 1914 of Subchapter B of Chapter X of Title 24 of the Code of Federal Regulations is amended by adding in alphabetical sequence a new entry to the table. In this entry, a complete chronology of effective dates appears for each listed community. Each date appearing in the last column of the table is followed by a designation which indicates whether the date signifies the effective date of the authorization of the sale of flood insurance in the area under the emergency or the regular flood insurance program. The entry reads as follows:

§ 1914.4 Status of participating communities.

State	County	Location	Map No.	State map repository	Local map repository	Effective date of authorization of sale of flood insurance for area
Connecticut	Fairfield	Bridgeport, City of				Aug. 7, 1973. Emergency.
Illinois	Du Page	Woodridge, Village of				Do.
Kentucky	Henderson	Henderson, City of				Do.
Louisiana	Lafayette Parish	Lafayette, City of				Do.
Michigan	Menominee	Stephenson, City of				Do.
Do.	Oakland	Pontiac, City of				Do.
Do.	do	Pontiac, Township of				Do.
New Jersey	Camden	Rummel, Borough of				Do.
Oklahoma	Canadian	El Reno, City of	II 49 017 1540 01 through II 49 017 1540 23	Oklahoma Water Resources Board, 2241 Northwest 40th St., Oklahoma City, Okla. 73112.	Office of the City Manager, P.O. Drawer 700, El Reno, Okla. 73036.	May 14, 1971. Emergency. Aug. 17, 1973. Regular.
Pennsylvania	Blair	Williamsburg, Borough of				Aug. 7, 1973. Emergency.
Do.	Carbon	Jim Thorpe, Borough of				Do.
Do.	York	Hallam, Borough of				Do.
Wisconsin	Milwaukee and Ozaukee	Bayside, Village of				Do.
Do.	Milwaukee	Fox Point, Village of				Do.

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Nov. 28, 1968), as amended (secs. 408-410, Public Law 91-152, Dec. 24, 1969), Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: July 31, 1973.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.73-16601 Filed 8-10-73;8:45 am]

RULES AND REGULATIONS

[Docket No. FI-191]

PART 1914—AREAS ELIGIBLE FOR THE SALE OF INSURANCE

Status of Participating Communities

Section 1914.4 of Part 1914 of Subchapter B of Chapter X of Title 24 of the Code of Federal Regulations is amended by adding in alphabetical sequence a new entry to the table. In this entry, a complete chronology of effective dates appears for each listed community. Each date appearing in the last column of the table is followed by a designation which indicates whether the date signifies the effective date of the authorization of the sale of flood insurance in the area under the emergency or the regular flood insurance program. The entry reads as follows:

§ 1914.4 Status of participating communities.

State	County	Location	Map No.	State map repository	Local map repository	Effective date of authorization of sale of flood insurance for area
***	***	***	***	***	***	***
Massachusetts	Hampshire	Amherst, Town of				Aug. 10, 1973. Emergency.

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, Nov. 28, 1968), as amended (secs. 408-410, Public Law 91-152, Dec. 24, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: August 3, 1973.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.73-16539 Filed 8-10-73;8:45 am]

[Docket No. FI-189]

PART 1914—AREAS ELIGIBLE FOR THE SALE OF INSURANCE

Status of Participating Communities

Section 1914.4 of Part 1914 of Subchapter B of Chapter X of Title 24 of the Code of Federal Regulations is amended by adding in alphabetical sequence a new entry to the table. In this entry, a complete chronology of effective dates appears for each listed community. Each date appearing in the last column of the table is followed by a designation which indicates whether the date signifies the effective date of the authorization of the sale of flood insurance in the area under the emergency or the regular flood insurance program. The entry reads as follows:

§ 1914.4 Status of participating communities.

State	County	Location	Map No.	State map repository	Local map repository	Effective date of authorization of sale of flood insurance for area
***	***	***	***	***	***	***
Kansas	Cowley	Arkansas City, City of				Aug. 9, 1973. Emergency.
New Jersey	Ocean	Tuckerton, Borough of				Do.
Pennsylvania	Lebanon	Swstara, Town- ship of				Do.
Texas	Brazoria	Jones Creek, Village of				Do.

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, Nov. 28, 1968), as amended (secs. 408-410, Public Law 91-152, Dec. 24, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: August 2, 1973.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.73-16537 Filed 8-10-73;8:45 am]

[Docket No. FI-190]

PART 1914—AREAS ELIGIBLE FOR THE SALE OF INSURANCE

Status of Participating Communities

Section 1914.4 of Part 1914 of Subchapter B of Chapter X of Title 24 of the Code of Federal Regulations is amended by adding in alphabetical sequence a new entry to the table. In this entry, a complete chronology of effective dates appears for each listed community. Each date appearing in the last column of the table is followed by a designation which indicates whether the date signifies the effective date of the authorization of the sale of flood insurance in the area under the emergency or the regular flood insurance program. The entry reads as follows:

§ 1914.4 Status of participating communities.

State	County	Location	Map No.	State map repository	Local map repository	Effective date of authorization of sale of flood insurance for area
Michigan	Muskegon	Muskegon, Township of				Aug. 13, 1973. Emergency Do.
New York	Monroe	Perinton, Town of				

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, Nov. 28, 1968), as amended (secs. 408-410, Public Law 91-152, Dec. 24, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: August 6, 1973.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.73-16538 Filed 8-10-73;8:45 am]

[Docket No. FI-187]

PART 1915—IDENTIFICATION OF SPECIAL HAZARD AREAS

List of Communities With Special Hazard Areas

The Federal Insurance Administrator finds that comment and public procedure and the use of delayed effective dates in identifying the areas of communities which have special flood or mudslide hazards, in accordance with 24 CFR Part 1915, would be contrary to the public interest. The purpose of such identifications is to guide new development away from areas threatened by flooding, a purpose which is accomplished pursuant to statute by denying subsidized flood insurance to structures thereafter built within such areas. The practice of issuing proposed identifications for comment or of delaying effective dates would tend to frustrate this purpose by permitting imprudent or unscrupulous builders to start construction within such hazardous areas before the official identification became final, thus increasing the communities' aggregate exposure to loss of life and property and the agency's financial exposure to flood losses, both of which are contrary to the statutory purposes of the program. Accordingly, the Department is not providing for public comment in issuing this amendment and it will become effective on August 13, 1973. Section 1915.3 is amended by adding in alphabetical sequence a new entry to the table, which entry reads as follows:

§ 1915.3 List of communities with special hazard areas.

State	County	Location	Map No.	State map repository	Local map repository	Effective date of identification of areas which have special flood hazards
Oklahoma	Canadian	El Reno, City of	H 40 017 1540 01 through H 40 017 1540 22	Oklahoma Water Resources Board, 2241 Northwest 40th St., Oklahoma City, Okla. 73112.	Office of the City Manager, P.O. Drawer 700, El Reno, Okla. 73036.	Aug. 17, 1973. Regular.
Pennsylvania	Luzerne	Kingston, Borough of	H 42 079 4090 01 H 42 079 4090 02 (Revised 8-17-73)	Oklahoma Insurance Department, Room 408 Will Rogers Memorial Bldg., Oklahoma City, Okla. 73105. Department of Community Affairs, Commonwealth of Pa., Harrisburg, Pa. 17120. Pennsylvania Insurance Department, 108 Finance Bldg., Harrisburg, Pa. 17120.	Kingston Borough Bldg., 500 Wyoming Ave., P.O. Box 1229, Kingston, Pa. 18704.	Feb. 2, 1973.

(National Flood Insurance Act of 1968 (title XIII of the Housing and Urban Development Act of 1968), effective Jan. 28, 1969 (33 FR 17804, Nov. 28, 1968), as amended (secs. 408-410, Public Law 91-152, Dec. 24, 1969), 42 U.S.C. 4001-4127; and Secretary's delegation of authority to Federal Insurance Administrator, 34 FR 2680, Feb. 27, 1969)

Issued: July 31, 1973.

GEORGE K. BERNSTEIN,
Federal Insurance Administrator.

[FR Doc.73-16602 Filed 8-10-73;8:45 am]

Title 32—National Defense
CHAPTER VII—DEPARTMENT OF THE AIR FORCE

SUBCHAPTER H—AIR FORCE RESERVE OFFICERS' TRAINING CORPS

PART 870—AIR FORCE RESERVE OFFICERS' TRAINING CORPS

Correction

In FR Doc. 73-15803 appearing at page 21147 for the issue of Monday, August 6, 1973, make the following changes:

1. In § 870.38, paragraph (b) (3) (iv) should read as follows: (iv) Are ineligible for monetary assistance under the CSP.

2. In § 870.40, line eleven should read "proved by the Secretary of Defense. Vir-".

3. In § 870.86, the entry for line 2, column B has inadvertently been omitted. The entry should read "up to, but not exceeding an equivalent portion of the GMC".

Title 49—Transportation

CHAPTER X—INTERSTATE COMMERCE COMMISSION

SUBCHAPTER C—ACCOUNTS, RECORDS, AND REPORTS

[Order 35029]

PART 1203—EXPRESS COMPANIES

At a session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 26th day of July 1973.

Uniform System of Accounts

It appearing, that, pursuant to the Administrative Procedure Act (5 U.S.C. 553) and section 20 of the Interstate Commerce Act, this Commission issued a notice of proposed rulemaking dated December 9, 1968, setting forth a proposed revised system of accounts for express companies; that the notice of proposed rulemaking was published in the FEDERAL REGISTER on December 13, 1968 (33 FR 18496) and all interested persons were invited to participate in this proceeding by submitting their views in writing; and that REA Express, Inc. (formerly Railway Express Agency, Incorporated) on October 7, 1969, submitted an alternative accounting system for consideration, and petitioned for its adoption in lieu of the system initially proposed;

It further appearing, that, by order dated November 28, 1969, the Commission suspended the existing accounting system for express companies for one year effective January 1, 1970, and permitted REA to use its alternative accounting system during the suspension period; that the suspension was subsequently extended; that, by a supplemental notice of proposed rulemaking served December 11, 1969, the Commission notified the public that REA had submitted an alternative system of accounts, directed REA to provide interested persons with copies of its proposed system, and requested interested persons to submit comments in regard thereto; and that a response was received from the National Motor Freight Traffic Association, Inc. (NMFTA);

It further appearing, that NMFTA in its response stated that REA's proposed system of accounts is defective in that it does not provide necessary separations between domestic and international and/or surface and air transportation in the accounts provided for cargo handling and marketing expenses;

It further appearing, that REA's proposed system of accounts has been revised in the appendix to this order to conform with the statutory requirements set forth in the Revenue Act of 1971 (Public Law 92-178); that this act, in addition to restoring the investment tax credit, also provides that no taxpayer shall be required to use, for the purpose of financial reports subject to the jurisdiction of any Federal agency or reports made to any Federal agency, any particular method of accounting for credit allowed by such act; that this Commission, in Docket No. 34178 (Sub-No. 1, amended its accounting regulations in Parts 1201, 1202, and 1204 through 1210 of Title 49 of the Code of Federal Regulations to permit carriers subject to those parts to account for the investment tax credit allowable under the Revenue Act of 1971 by either the flow through or the deferral method; and that this change will bring the revised accounting regulations, to be added as Part 1203, in conformity with the provisions of the Revenue Act;

And it further appearing, that REA is now the only remaining express company subject to the Commission's jurisdiction; that the system of accounts proposed and now used by REA is designed to meet the specific needs of express companies; that said system is adaptable for use with modern electronic computer systems and conforms with generally accepted accounting principles; that the existing accounting system for express companies was adopted in 1914 and is not designed to meet current managerial and reporting needs; that REA has been operating pursuant to its proposed system of accounts since January 1970 and has converted its 4,000 terminal and office facilities to this system; that the Commission and REA have evaluated their respective experiences with the proposed system and have found that, subject to certain minor revisions, this system meets the needs of REA, the Commission, and the public in general; and that the uniform system of accounts for express companies set forth below should be adopted;

Wherefore, and good cause appearing therefor;

We find, that no need has been shown for requiring the maintenance by express companies qualifying to use the accounting system prescribed herein of the separate accounts requested by NMFTA, and that such express companies shall not be required to maintain separate accounts for operations which may qualify them as carriers of another mode under the Interstate Commerce Act;

We further find, that, effective January 1, 1973, the accounting regulations for express companies should be revised as shown in the appendix to this order, and should be published in Part 1203, to be added to Chapter X, Subchapter C

of Title 49 of the Code of Federal Regulations; that such rules are reasonable and necessary to the effective enforcement of the provisions of Part I of the Interstate Commerce Act, as amended; that such regulations are otherwise lawful and are consistent with the public interest and the national transportation policy; and that this decision is not a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969;

It is ordered, That the appended uniform system of accounts be, and it is hereby, adopted and required for use by express companies, effective January 1, 1973.

It is further ordered, That the petition of REA Express, Inc., filed on October 7, 1969, except to the extent granted herein be, and it is hereby, denied.

It is further ordered, That this order shall be effective September 25, 1973.

And it is further ordered, That notice of this order shall be given to the general public by depositing a copy thereof 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, for publication in the FEDERAL REGISTER.

(5 U.S.C. 553; 49 U.S.C. 20(3); and 54 Stat. 917)

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

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Authority: 5 U.S.C. 553; 49 U.S.C. 20(3); and 54 Stat. 917.

(i) *Definitions.* When used in this system of accounts:

1. "Accounts" means the accounts prescribed in this system of accounts.
2. "Actually issued," as applied to securities, means those which have been sold to bona fide purchasers for a valuable consideration (including those issued in exchange for other securities or other property) so that the purchasers secured them free from control by the issuing carrier, also securities issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking and other funds.
3. "Actually outstanding," as applied to securities issued or assumed by the carrier, means those which have been actually issued and are neither retired nor held by or for the carrier; provided however, that securities held by trustees of sinking and other funds shall be considered as actually outstanding.
4. "Addition" means structures, facilities or equipment added to those in service, or the extension or enlargement of existing property, and not taking the place of anything previously existing.
5. "Affiliated companies" means persons (see definition 31) that directly, or indirectly through one or more intermediaries, control or are controlled by, or are under common control with the accounting carrier.
6. "Amortization" means the gradual extinguishment of an amount in an account by prorating such amount over either a fixed period dependent on the

requirements of regulatory bodies, the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

7. "Betterment" means alterations or changes in structural design of property which result in increased service life or efficiency.

8. "Book cost" means the amount at which property is recorded on the books of the carrier without deduction of related reserves.

9. "Carrier" means any express company subject to the Interstate Commerce Act.

10. "Carrier operating property" means the property which is used (see definition 40) by the carrier in the conduct of its express operations or leased to others for such operations, and which has an expectation of life in service of more than one year from date of installation. This includes land, structures, equipment, and facilities necessary for such operations and services incidental thereto.

11. "Company" means any individual, firm, copartnership, corporation, association, or joint-stock association; and includes any trustee, receiver, assignee, or personal representative thereof. (See definition 31)

12. "Commission" or "the Commission" means the Interstate Commerce Commission.

13. "Contingent assets" means a possible source of value to the carrier dependent upon the fulfillment of conditions regarded as uncertain.

14. "Contingent liabilities" means items which may under certain conditions become obligations of the carrier but which are neither direct nor assumed liabilities at the date of the balance sheet.

15. "Control" (including the terms "controlling," "controlled by," and "under common control") as used in context with "person" (see definition 31) means the possession directly or indirectly, of the power to direct or cause the direction of the management and policies of a person whether through the ownership of voting securities, by contract or otherwise. If in any instance the existence of control is or may be open to reasonable doubt, the carrier shall report to the Commission all of the material facts pertinent to the possible existence of control.

16. "Cost" means the amount of money actually paid for property or services, or the current cash value of the consideration given when other than money.

17. "Cost of removal" means the cost of demolishing, dismantling, tearing down, or otherwise removing operating property, including the cost of transportation and handling incident thereto.

18. "Current assets" means cash as well as those assets that are readily convertible into cash or are held for current use in operations or construction; current claims against others, payment of which is reasonably assured; and other

amounts accruing to the carrier which are subject to settlement within one year from the date of issue or upon demand.

19. "Current liabilities" means those obligations the amount of which is definitely determined or closely estimated which are either matured or become due within one year from date of issue or assumption, or upon demand.

20. "Date of retirement" as applied to operating property, means the date at which such property is permanently withdrawn from service.

21. "Debt expense" means all expense in connection with the issuance and sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds, certificates of indebtedness, and other evidences of debt; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters; brokers, and salesmen for marketing evidences of debt; fees and expenses of listing on exchanges; and other like costs.

22. "Delayed items" means items relating to transactions which occurred before the current year. It includes adjustments of errors in the income, operating revenue, and operating expense accounts of prior years. (See general instruction 1-7.)

23. "Depreciation", as applied to depreciable property, means the loss in service value (see definition 37) not restored by current maintenance, incurred in connection with the consumption or prospective retirement of property in the course of service from causes against which the carrier is not protected by insurance, which are known to be in current operation. Among the causes to be given consideration are wear and tear, decay, action of the elements, obsolescence, changes in the art, inadequacy, changes in demand, and requirements of public authority.

24. "Discount", as applied to securities issued or assumed by the carrier, means the excess of the par or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from the sale.

25. "Long-term obligations" means obligations having a life of more than one year from date of creation or assumption, all unmatured bonds and receivers' or trustees' certificates, and demand obligations which by mutual agreement will not be paid within one year from date of issue.

26. "Mileage method", as applied to depreciation of vehicles, means the plan under which the service value is charged to depreciation expenses and credited to depreciation reserves at a fixed rate per mile run.

27. "Minor items", as applied to carrier operating property (see definition 10), means the associated parts or elements of which units of property (see definition 39) are composed.

28. "Net book cost", when applied to property, means the book cost (see defi-

nition 8) less related depreciation and amortization reserves.

29. "Nominally issued", as applied to securities issued or assumed by the carrier, means those which have been signed, certified, or otherwise executed and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the carrier, but which have not been sold or issued directly to trustees of sinking funds in accordance with contractual requirements.

30. "Nominally outstanding" means actually issued securities which have been reacquired by or for the carrier under circumstances which require the securities to be held alive and not retired or cancelled.

31. "Person" when not otherwise indicated in the context, means an individual, a corporation, a partnership, an association, a joint-stock company, a business trust, or any other organization, or any receiver or trustee.

32. "Premium", as applied to securities issued or assumed by the carrier, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face values plus interest or dividends accrued at the date of sale.

33. "Property retired", as applied to operating property, means property which has been removed, sold, abandoned, destroyed or which for any cause has been permanently withdrawn from service.

34. "Replacing" or "replacement" means the acquisition, construction, or installation of property in place of property of like purpose retired, together with the removal of the property retired.

35. "Salvage value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recovered is chargeable to account 116—Material and Supplies, or other appropriate account.

36. "Service life" means the period between the date when carrier operating property (see definition 10) is placed in service and the date of its retirement. (See definition 33)

37. "Service value" means the difference between the book cost (see definition 8) and the salvage value (see definition 35) of carrier operating property.

38. "Straight line method", as applied to depreciation accounting, means the plan under which the service value (see definition 37) of property is charged to depreciation expenses or other appropriate accounts and credited to the depreciation reserves through equal periodic charges as nearly as may be during its service life.

39. "Unit of property", for the purpose of this system of accounts, means any item of carrier property which when retired, with or without replacement by sale, abandonment, disposal or replacement, is accounted for by crediting the book cost (see definition 8) thereof to the operating property account in which it is included.

40. "Used", as applied to operating property, means actually and necessarily in current service or ready for and reasonably required to be currently held for future service.

GENERAL INSTRUCTIONS

1-1 Classification of accounts.

(a) Accounts are prescribed to record the cost of property used in express and related operations and for revenues, expenses, taxes, rents and other items of income for such operations. Separate accounts are prescribed for cost of property not used in express operations and for income and expenses applicable thereto; for other investments and related income; for extraordinary and prior period items including applicable income taxes; and for assets, liabilities and shareholders' equity.

(b) All items of profit and loss recognized during the year are includible in ordinary income, except nonrecurring items (which in the aggregate) for the same class are both material in relation to operating revenues and ordinary income for the year, and are clearly not identified with or do not result from the usual business operations of the year. Important items of the kind which occur from time to time and which, when material in amount, are to be excluded from ordinary income are those resulting: (1) From unusual sales of property and investment securities other than temporary cash investments; (2) from company bonds reacquired, from wars, earthquakes and similar calamities and catastrophes, which are not a recurrent hazard of the business and which are not usually covered by insurance; (3) from change in application of accounting principles; (4) from prior period items (other than ordinary adjustments of a recurring nature). Material items are those which, unless excluded from ordinary income, would distort the accounts and impair the significance of ordinary income for the year. Items so excludible from ordinary income are to be entered directly in the income accounts provided for extraordinary and prior period items upon approval or direction of the Commission.

(c) Adjustments constituting items of customary business activities or corrections or refinements resulting from the natural use of estimates inherent in the accounting process, including those arising from disposal of a unit of property sold or retired in the regular course of business operations, shall not be considered extraordinary or prior period items regardless of size.

(d) In determining materiality, items of a similar nature shall be considered in the aggregate; dissimilar items should be considered individually. As a general standard, an item to qualify for inclusion as an extraordinary or prior period item, shall exceed one percent of total operating revenues and ten percent of ordinary income for the year.

1-2 Accounting scope.

(a) This system provides for accounting methods which channel a multitude

of details into journals: cash receipts, revenues, purchases, expenses, cash disbursements, payroll, operating property, services rendered, and others. These journals pass on their information to the general ledger, the terminal point of all accounting entries and the summary of all activities. The general ledger and the financial statements stemming therefrom demand the highest degree of accuracy; accuracy in summaries of great masses of detail, in the shortest possible time. The financial statements are the significant facts in summary form, supplemented by comparative data.

(b) The general ledger represents the control or master records and the details supporting these master records are assigned, in some cases, to subsidiary ledgers: accounts receivable, inventories, operating property, accounts payable, payroll, and capital shares.

The basic requirements for general ledger accounting procedures are:

- (1) Chart of accounts—preparation of account classification.
- (2) Source records—processing original data for multiple use.
- (3) Trial balance—proof of the general ledger and a summary record of all the carrier's transactions.
- (4) Income statement—total revenues less expenses.
- (5) Balance sheet—assets less liabilities equal shareholders' equity.

Each general ledger account is coded with a five digit account number. The account number comprises a three digit primary account number and a two digit secondary account number.

(c) Nine broad divisions of accounts include all types of accounts reflecting express company operations:

- (1) Assets—things owned by the carrier or amounts owed to the carrier.
- (2) Liabilities—amounts owed by the carrier.
- (3) Operating revenues—amounts received from the sale of express and other services to customers.
- (5) Operating expenses—amounts paid to employees and vendors for services and supplies; also, taxes other than income taxes.
- (6) Nonoperating income—amounts received for interest and other income earned in non-express activities.
- (7) Nonoperating expenses—amounts paid for interest and other expenses incurred in non-express activities.
- (8) Income taxes on ordinary income—amounts paid to the federal government for taxes based on ordinary income.
- (9) Extraordinary and prior period items—unusual, large, and nonrecurring items which would distort the accounts if included in ordinary income.

An orderly account classification is necessary to the preparation of well arranged and intelligible financial statements. This is accomplished by the chart of accounts which possesses certain characteristics:

- (1) Explicit account names.
- (2) Sequentially numbered accounts.
- (3) Accounts arranged in the order used for financial statements.
- (4) Simple yet comprehensive format, with room for expansion and with provision for location number.

(d) Starting with the first digit of the primary account number, the coding is organized as follows:

Balance Sheet Groups		Income Statement Groups	
100	Assets	300	Operating revenues
200	Liabilities	500	Operating expenses
		600	Nonoperating income
		700	Nonoperating expenses
		800	Federal income taxes on ordinary income
		900	Extraordinary and prior period items

Then, the second digit of the primary balance sheet account numbers is further divided into classes:

110	Current assets
120	Tangible property
130	Permanent investments
140	Other assets
210	Current liabilities
220	Long-term obligations
230	Advances payable
240	Other liabilities
250	Shareholders' equity

The third digit of the primary balance sheet classes, then, represents the nature of the asset or liability:

111	Cash
112	Temporary investments
113	Notes receivable
114	Accounts receivable
115	Allowance for uncollectible receivables
116	Material and supplies
117	Prepayments
118	Affiliate receivables
119	Other current assets
121	Operating property
122	Accumulated depreciation on operating property
123	Nonoperating property
124	Accumulated depreciation on nonoperating property
131	Affiliate investments
132	Other investments
141	Intangible property
142	Accumulated amortization (intangible property)
143	Deferred charges
144	Special funds
211	Current long-term debt
212	Dividends declared
213	Notes payable
214	Accounts payable
215	Income taxes accrued
216	Other taxes accrued and withheld
217	Accrued expenses
218	Affiliate payables
219	Other current liabilities
221	Equipment obligations
222	Bonds
223	Other long-term obligations
231	Affiliate advances payable
232	Other advances payable
241	Accumulated provision for self-insurance
242	Deferred credits
251	Preferred stock
252	Common stock
253	Capital stock subscribed
254	Capital surplus
255	Retained income

The second digit of the primary income statement account number is further divided into classes:

310	Domestic express
320	Foreign express
330	Interline express
340	Other express
350	Other revenue
510	Equipment maintenance
520	Transportation
530	Terminal
540	Operations
550	Marketing
560	Finance and administration
570	Personnel
580	Exclusive air operations
590	Executive

610 Noncarrier income
 620 Interest income
 630 Dividend income
 640 Other income
 710 Interest expense
 720 Debt expense and credit
 730 Other expenses
 810 Federal income taxes on ordinary income
 910 Extraordinary items (net)
 920 Prior period items (net)
 930 Income taxes on extraordinary and prior period items

The third digit of the primary income statement classes, then represents the nature of the revenue or the function of the expense:

311 Domestic surface express
 312 Domestic air express
 321 Foreign surface express
 322 Foreign air express
 331 Interline surface express
 332 Interline air express
 341 Miscellaneous express
 351 Advertising revenue
 352 Customs brokerage fees
 353 C. O. D. service fees
 354 Storage fees
 355 Miscellaneous revenue
 511 Maintenance management
 512 Line haul maintenance
 513 (1) Pickup and delivery maintenance
 514 Service cars
 515 Railroad car maintenance
 522 Line haul transportation
 523 (1) Pickup and delivery transportation
 524 Air transportation
 525 Railroad transportation
 531 (1) Terminal management
 532 (1) Cargo handling
 534 (1) Property maintenance
 541 Operations management
 542 Fleet maintenance
 543 Transportation management
 544 Engineering and real estate
 552 (1) Sales

(1) Does not include exclusive air terminals.

553 Freight claims
 554 Surface advertising
 555 Air advertising
 556 Market research
 557 Traffic
 559 International services
 561 Banking and corporate accounting
 562 Disbursements
 563 Budget and cost
 564 Revenue billing
 565 Tax and insurance
 566 Internal auditing
 567 Data processing
 568 Systems and programming
 569 Credit and collection
 571 Personnel management
 572 Office services
 573 Employee benefits
 581 Pickup and delivery maintenance—exclusive air
 582 Pickup and delivery transportation—exclusive air
 583 Cargo handling—exclusive air
 584 Terminal management—exclusive air
 585 Air services management
 587 Property maintenance—exclusive air
 588 Sales and marketing—exclusive air
 591 Executive management
 592 Law
 593 Purchasing
 594 Security
 611 Noncarrier revenues
 612 Noncarrier expenses
 621 Investment interest income
 622 Affiliate interest income
 623 Miscellaneous interest income

631 Investment dividend income
 632 Affiliate dividend income
 641 Miscellaneous income
 711 Investment interest expense
 712 Affiliate interest expense
 721 Debt discount expense
 722 Debt premium credit
 731 Miscellaneous expenses
 811 Federal income taxes
 818 Other income taxes
 911 Extraordinary items (net)
 921 Prior Period Items (net)
 931 Income taxes on extraordinary and prior period items

(e) The secondary account number of balance sheet classes is used, in sequence, for detailed identification of the account.

Primary	Secondary	Title
111	00	Cash
111	01	ABC Bank
111	02	DEF Bank
111	03	GHI Bank
111	04	JKL Bank

Thus, applying the balance sheet account numbering system, money on deposit in an account with the JKL Bank is identified by the account number 111-04.

The secondary account number of income statement classes (except operating expense accounts) is used, in sequence, for detailed identification of the account in the same manner as balance sheet accounts.

The secondary account numbers of operating expense accounts represent the objective of the expense:

01 Payroll
 02 Employees welfare
 03 Advertising
 04 Taxes and licenses
 05 Utilities
 06 Supplies
 07 Services purchased
 08 Unclassified
 09 Traveling
 10 Communications
 11 Pensions
 12 Insurance
 13 Depreciation
 14 Professional services
 15 Donations
 16 Uncollectible revenues
 17 Equipment rentals
 18 Purchased transportation
 19 Commission agents
 20 Real Property rentals
 21 Tires and tubes
 22 Motor fuel and oil
 23 Demurrage and detention
 24 Regulatory fees
 25 Surface substitute service
 26 Gain or loss on sale of assets (unit method)

or the nature of the clearing account:

91 Maintenance transfers
 92 Transportation transfers
 93 Other expense transfers
 94 Interdepartment transfers
 95 Other credits
 96 Multi-terminal distribution

Thus, applying the income statement numbering system, traveling by personnel of the sales division is identified by the account number 552-09.

(f) Where no secondary account number has been indicated for a primary ac-

count in the balance sheet and income statement classes, the secondary account number "01" is implied. It takes the same account title as that shown for the primary account.

(g) Subdivisions of any account in this system may be kept to indicate the terminal, garage, office or other location involved. (See general instruction 1-17)

1-3 Records.

(a) The accounts prescribed in this system shall be kept by carriers engaged in performing express transportation services. Subdivisions of any of the prescribed accounts also may be kept provided that the integrity of such prescribed account or accounts is not impaired thereby. The Commission reserves the right to order carriers to subdivide any account in this system of accounts.

(b) Each carrier shall keep its books of account, and all other books, records and memoranda which support the entries in such books of account, so as to be able to readily furnish full information pertaining to every item included in any account. Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts applicable thereto.

(c) The books and records referred to herein include not only accounting records in a limited technical sense, but all records, such as minute books, stock books, reports, correspondence, memoranda, etc., which may be useful to developing the history of or facts relating to any transaction.

(d) The carrier shall not destroy any such books or records unless the destruction thereof is permitted by the Regulations to Govern the Destruction of Records of Express Companies.

1-4 Accounting period.

(a) Each carrier shall keep its books on a calendar year basis. All transactions applicable thereto, as nearly as can be ascertained, including full accruals, shall be entered in the books of original entry (cash book, purchase journal, etc.) and posted to the general ledger. A trial balance of the general ledger accounts shall be prepared at the close of each month. At the end of the year, the revenues, expense and other income accounts shall be closed into retained income or the noncorporate capital accounts; and balance sheet account balances shall be brought forward to the general ledger for the succeeding year.

(b) The final entries for any month shall be made in the general ledger not later than 60 days after the last day of the month for which the accounts are stated, unless otherwise authorized by the Commission, except that the period within which the final entries for the last month of the year shall be made may be extended by another 30 days, following the 60 days referred to above, to allow adequate time for the closing of the year's accounts.

(c) After the accounts of the carrier have been closed for the calendar year no changes can be made in such accounts

thereafter unless approval is first requested and given by the Commission.

1-5 Interpretation of prescribed accounting.

The cross-reference included in, and notes following, the texts of various instructions and accounts are for the purpose of indicating the applicable provisions of other sections. Such references are not to be construed as comprising a complete list of the instructions relating to a particular subject, since the definitions, the general instructions, and the text of each account must be given consideration in determining the prescribed accounting.

1-6 Item lists.

List of items appearing in the texts of the several accounts are given for the purpose of indicating the application of the prescribed accounting in specific cases. The lists are not to be considered as comprising all items includible in the accounts, but merely as representative of them. On the other hand, the appearance of an item in a list warrants the inclusion of such item in the account concerned only when the text of the account also indicates inclusion, inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

1-7 Delayed items.

Ordinary delayed items and adjustments arising during the current year which are applicable to prior years shall be included in the same account which would have been charged or credited if the item had been taken up or adjusted in the year to which it pertained. When the amount of a delayed item or adjustment is relatively so large that its inclusion in net income for a single month would seriously distort the accounts for the month (but not for the year), such amount may be distributed in equal monthly charges or credits, as the case may be, to the remaining months of the year. See general instruction 1-1(b) as to delayed items which would distort the accounts for the year.

1-8 Accounting method.

(a) The system of accounts shall be kept by the accrual method of accounting. Items of income and expenses shall be accrued each month on a consistent basis. The carrier shall promptly report to the Commission unusual accruals and changes in accrual basis or practices which have the effect of including or excluding material amounts from the accounts.

(b) Estimated accruals shall be recorded on the basis of the best information available. Such estimates shall be modified in conformity with later and more up-to-date information and adjusted to the actual amounts of income or expenses involved promptly when that information is known or becomes determinable. Accrual accounting is not required for minor items which do not appreciably affect the accounts.

1-9 Acquisition by merger, consolidation or purchase.

(a) Where property is acquired by business combination of two or more corporations, the accounting for the transaction shall depend on whether there has been (1) merger or consolidation on a "pooling of interests basis" or (2) a "purchase basis".

(b) In accounting for a pooling of interests, no new basis of accountability arises. The assets, liabilities, and retained income, or deficit, if any, of the predecessor company shall be recorded in the accounts of the transferee at amounts carried on the books of the predecessor company at date of consummation of the transaction. Such amounts shall be adjusted, if necessary, to conform with the rules in this system of accounts. Where one of the stockholders obtains 90 percent or more of the voting interest in the combined enterprise, there is a presumption that the transaction is a purchase rather than a pooling of interests and the transactions shall be so accounted for, unless otherwise directed or authorized by the Commission.

When the total par value or stated value of no par capital stock of the surviving company is more than the aggregate total of the capital stock of the separate companies before merger or consolidation, the excess shall be charged to account 254-02—other capital surplus, or to account 255-02—unappropriated retained income, if unrestricted capital surplus is not available for such purpose.

When the total par value or stated value of no par capital stock of the surviving company is less than the aggregate total of the capital stock of the separate companies before merger or consolidation, the difference shall be credited to account 254-02—other capital surplus.

(c) When physical property and other assets are purchased, the amounts includible in the accounts for carrier operating property, noncarrier property, and intangible property which includes certificates and permits issued by regulatory agencies to engage in transportation operations, shall be based on the cost to the buyer of each such asset. Other assets acquired and the liabilities assumed shall be recorded in the appropriate prescribed accounts in the amounts shown in the books of the seller, adjusted as may be necessary to conform with this system of accounts. When separate costs for the physical property and the intangible property are not indicated in the purchase and sale agreement, or otherwise disclosed in the application or record in the proceeding, a reasonable amount carefully ascertained based on the best information obtainable representing a fair portion of the total purchase price shall be assigned to each such class of property.

In ascertaining the portion of the total purchase price assignable to the intangible property, due consideration shall be given to past earnings attributable to the property acquired and to other pertinent factors appropriate in ascertaining the

value of intangible property in accordance with sound accounting principles for which there is authoritative support. The portion of the total purchase price assignable to the physical property shall be substantiated by an appraisal made by a disinterested qualified appraiser and such other documentary evidence as the Commission may require. The amount shown on the books of the seller for the physical property together with the accrued depreciation may be used in lieu of such an appraisal providing that the books of the seller have been kept in accordance with the rules of this Commission and the amount is fairly representative of the purchase price of such property.

The aggregate amount recorded in the accounts for the intangible property and the other assets acquired, shall in no case exceed the total purchase price thereof.

(d) Detailed records, including copy of each appraisal report, shall be maintained showing the basis used for computing amounts included in the tangible property, intangible property, other capital surplus, retained income and other accounts. Full details showing the purchase price, the principals from whom the property was acquired, and agents who represented such principals shall be stated in the journal entries recording the acquisition of the property.

1-10 Amortization of intangibles.

(a) Amortization accounts shall be established to provide for the retirement of the cost of permits, franchises, patents or other intangibles upon the expiration of their life term.

Accretions to these accounts shall be made through equal charges each month to the appropriate account or accounts over the life terms of the intangibles.

(b) When it becomes reasonably evident that the term of existence of an intangible, the cost of which is included in account 141, Intangible property, has become limited or its value impaired, its cost shall be amortized through account 731, Miscellaneous expenses, or it may be entirely written off by charge to this account, or the entire cost, when qualifying as extraordinary pursuant to general instruction 1-1, may be written off by debit to account 911, extraordinary items, with concurrent credit to account 142, accumulated amortization on intangible property.

(c) When intangibles covered by amortization accruals terminate at the close of their life terms or become invalid for whatever cause, the book costs of such items shall be credited to the investment account. Concurrently, the related accumulated amortization accounts shall be charged with the amounts provided therein with respect to the retired intangibles, and any remaining difference shall be charged to the expense or ordinary income accounts prescribed therefor as appropriate.

1-58 Nuisance.

(a) Secondary operating expense account 12—Insurance, shall be used for recording monthly write-off of amounts

of prepaid premiums paid to commercial insurance companies and charges for the purpose of maintaining self-insurance. Amounts payable by the carrier in settlement of cargo loss and damage claims not recoverable from insurance companies or others, shall be charged to the appropriate self-insurance account.

(b) Fire, theft and collision and other insurance costs are to be charged to secondary operating expense account 12—insurance. Inasmuch as such risks represent losses that may be sustained by the carrier rather than claims against it by others, coverage by commercial insurance or self-insurance is not a mandatory requirement, and if no provision is made for such coverage, losses from fire, theft or collision shall be charged to the appropriate expense accounts if owned or leased property is repaired, or if retired from service, handled in accordance with carrier property instruction 3-3.

(c) Accumulated provisions for self-insurance of cargo loss and damage and other loss and damage claims shall be included in account 241-04—surface cargo loss, and account 241-05—air cargo loss, as the case may be.

Monthly charges to expense accounts for the purpose of creating self-insurance liability shall be determined currently by the carrier from its best source of information and the rates used may be based on percentage of revenue, mileage of vehicles, or other equitable bases.

(d) Amounts payable by the carrier in settlement of cargo and other loss and damage claims, including those paid by the carrier for which it will be reimbursed wholly or in part by insurance companies, connecting carriers or others, shall be charged to the self-insurance accounts. Parts of such claims that are payable by insurance companies or others, less any adjustment for salvage recovered, shall, when their liability is determined, be credited to the self-insurance accounts previously charged.

(e) The cost of repairs to owned or leased carrier operating property involved in accidents or damaged by fire or other causes, and of replacing damaged or destroyed property leased from others, shall be charged to the appropriate expense accounts. When the amounts receivable from insurance companies or others in full or partial reimbursement of such costs, if any are determined, they shall be credited to the expense accounts previously charged, together with the value of salvaged materials recovered.

(f) Insurance premiums paid in advance to commercial insurance companies shall be charged to account 117-02—prepaid insurance, and distributed to the appropriate insurance expense accounts in monthly installments over the period for which the premiums have been paid except that minor premiums may be charged direct to the secondary insurance expense account. If it is anticipated that a dividend or refund will be received on prepaid premiums at the end of the year or other period covered

by the insurance, an amount equal to the estimated dividend or refund shall be retained in account 117-02—prepaid insurance and the balance of the premium shall be charged to secondary expense accounts in monthly installments as described above. When the dividend or refund is received, it shall be credited to account 117-02—prepaid insurance. Any discrepancy between the estimated dividend or refund and the amount actually received shall be adjusted to the appropriate secondary insurance expense accounts. If insurance premiums are paid on a monthly basis and it is anticipated that a dividend or refund will be received at the end of the year, a part of each monthly payment equal to one-twelfth of the estimated dividend shall be charged to account 117-02—prepaid insurance and the balance of the payment shall be charged to the secondary insurance expense account. When the actual dividend is received, it shall be accounted for as described above.

1-12 Taxes and licenses.

Taxes, licenses and tolls relating to express operations and property, payable to Federal, State, county, municipal and other taxing authorities, shall be charged to secondary expense account 04—Taxes and Licenses. Where appropriate, an amount shall be charged each month with concurrent credits to account 117-01—prepaid taxes and licenses. When it is not possible to determine the actual amount of the tax, it shall be estimated and adjusted when the actual tax becomes known.

1-13 Joint facilities.

Where a joint facility operated by others, is used by the reporting carrier under a joint facility arrangement, any amounts paid by the carrier as its share of operation and maintenance costs shall be charged to secondary operating expense account 20—real property rentals. Do not include in secondary operating expense account 20—real property rentals, expenses such as taxes, supplies, repairs, insurance, depreciation and interest when paid for separately and directly by the reporting carrier, since such expenses should be charged to the specific expense accounts provided for those classes of expenditures. Expenses such as depreciation, taxes or others in the joint facility, when the property is owned by the operating carrier, shall be charged to the respective appropriate secondary operating expense accounts. Any payments received by the operating carrier shall be credited to secondary operating expense account 20—real property rentals.

1-14 Allocation of maintenance expenses among line haul, pickup and delivery and service cars.

(a) All maintenance expenses that can be directly charged to line haul, pickup and delivery or service car maintenance shall be so charged. All other maintenance expenses which cannot be readily distinguished shall be charged to line

haul maintenance and prorated at the end of each month to pickup and delivery and service car maintenance.

(b) Proratable maintenance costs shall include the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and Licenses
- 06 Supplies
- 07 Services purchased
- 22 Gas and oil

(c) The use of prorating joint maintenance expenses shall be restricted to those instances which do not lend themselves to direct charging.

1-15 Employees' welfare expenses.

(a) Primary operating expense account 573—employee benefits shall be used to record expenditures made for employees' welfare. Such expenditures shall include the following classes of items:

- (1) Contributions to health and welfare funds, whether under contract arrangements with labor organizations or otherwise.
- (2) Premiums on group insurance policies for benefit of employees or their beneficiaries.
- (3) Payments to trustees under profit sharing and pension plans or the benefits of employees in active service.
- (4) Payments for pensions directly to retired employees or to their beneficiaries when no trust fund exists.
- (5) Payments to or on behalf of employees other than claims covered by Workmen's Compensation Acts.
- (6) Vacation accrual for all employees.

(b) Such expenses shall be apportioned to the appropriate primary operating expense accounts in the same ratio as their pay is distributed to primary operating expense accounts or on some other equitable basis.

(c) No charges to primary operating expenses account 573—employee benefits shall be made in anticipation of future discretionary payments.

1-16 Interpretation of rules.

The carrier shall submit questions of doubtful interpretation to the Commission for consideration and decision.

1-17 Tertiary accounts.

The carrier may subdivide any account in this system of accounts to show the terminal, garage, office or other location involved.

1-18 Accounting for the investment tax credit.

(a) Carriers electing, as provided in the Revenue Act of 1971, to account for the investment tax credit by the flow-through method shall charge account 810, income taxes on ordinary income, or account 931, income taxes on extraordinary and prior period items, as applicable and shall credit account 215, income taxes accrued, with the estimated Federal income taxes payable which is net of the investment tax credit utilized as a reduction of the tax liability in the current year.

(b) Carriers electing the deferral method to account for the investment tax credit shall, concurrently with making the entries prescribed in (a) above,

charge account 810, income taxes on ordinary income, or account 931, income taxes on extraordinary and prior period items, as applicable and shall credit account 242, deferred credits, with the investment tax credit utilized as a reduction of the current year's tax liability but deferred for accounting purposes. The investment tax credits so deferred shall be amortized by credits to account 810, income taxes on ordinary income, over the life of the assets to which they relate.

(c) Any change in practice of accounting for the investment tax credit shall be reported promptly to the Commission. Carriers desiring to clear account 242 of the amounts representing deferred investment tax credits because of a change from the deferral method to the flow-through method shall submit the proposed journal entry to the Commission for consideration and advice.

INSTRUCTIONS FOR BALANCE SHEET ACCOUNTS

2-1 Current assets.

(a) This group of accounts shall include all assets and resources which reasonably may be expected to be realized in cash or sold or consumed within one year; such as, unrestricted cash, assets readily convertible into cash, or that are held for current use in operations, current claims against others, and amounts of whatever nature accruing to the carrier which are reasonably certain of being settled within one year.

(b) There shall not be included in the current asset group any item the collectibility of which is not reasonably assured, or for which adequate provision for uncollectibility has not been made. Items of current character but of doubtful value not so provided for shall be written down or written off to the expense or ordinary income accounts prescribed therefor, as appropriate.

2-2 Investments—special funds.

(a) Include in this classification the cost of long-term investments in securities of others, investment advances and all similar items of a non-current character, such as cash or securities deposited with trustees of sinking funds, or deposited to guarantee contract performance or for other specific purposes under conditions preventing their use in current operations.

(b) Investment in securities shall be recorded at cost exclusive of amounts paid for interest or dividends accrued thereon when acquired. If for some reason the value of certain owned securities becomes either permanently impaired or worthless, the investment therein shall be promptly written down or written out of the accounts as appropriate in the circumstances. Such losses in value of securities written off, if material, shall be charged to account 911—extraordinary items (see general instruction 1 (b)), otherwise charge to account 731—08—miscellaneous, sundry expenses.

2-3 Current liabilities.

This category shall include all liabilities and debts ordinarily subject to current payment and those which will become subject to settlement and payment within one year.

2-4 Long term debt due after one year.

This classification comprises those obligations and debts which do not become subject to payment and liquidation until more than one year from the date of the balance sheet. Among other long-term obligations, include in this classification, mortgages, leases that are clearly in substance installment purchases, bonds, debentures and other issues of debt securities which do not mature for more than one year from the date of the balance sheet. Debt securities shall be recorded in the appropriate liability account at par value; any premiums realized or discount sustained shall be included in the proper balance sheet accounts prescribed therefor and amortized monthly.

2-5 Shareholders' equity.

(a) Group under this general classification all items which record the aggregate interests of the holders of the carrier's stock in the assets owned by the carrier.

(b) "Shareholders' equity" shall be subdivided to reflect the direct contribution of the stockholder and any capital surplus, separately from the undistributed income retained from the operation of the carrier. The income shall be carried to "retained income" which shall be divided between appropriated retained income and unappropriated retained income.

(c) Discount applicable to original issuances of a particular class or series of capital stock may be charged only against premiums applicable to the same class or series of stock.

2-6 Contingent assets and liabilities.

Contingent assets are items which may be a possible source of value to the carrier dependent upon the fulfillment of conditions regarded as uncertain; contingent liabilities are items which under certain conditions could become obligations of the carrier but which are neither direct nor assumed liabilities at the date of the balance sheet. Contingent assets and contingent liabilities shall not be shown in the body of the balance sheet but shall be explained in footnotes.

INSTRUCTIONS FOR CARRIER PROPERTY ACCOUNTS

3-1 Property acquired.

(a) In general, the carrier property accounts shall be charged with the cost of property purchased or constructed, and with the cost of additions and betterments of property. Cost includes the net purchase price, plus taxes, transportation, installation, testing and costs incurred in preparation for use. If the consideration is other than cash, the cost shall be based on the current cash

value of such consideration. However, the acquisition of a distinct operating unit shall be accounted for as provided in general instruction 1-9.

(b) When indebtedness is directly incurred to finance the construction of carrier property, the interest accruing thereon up to the time the property is completed and placed in service shall comprise a component of the cost of the property to be recorded in the appropriate property investment account.

(c) Accounting shall be performed on the "betterment" plan where superior component parts are installed in a unit of property to replace older component parts, thereby increasing the usefulness, efficiency, capacity or durability of the unit. In these cases, the excess of the cost of the superior parts installed over the current cost of new parts of the kind replaced shall be charged to the appropriate property account subject to the minimum adopted under carrier property instruction.

2. The cost of removing the old and installing the new parts shall be charged to operating expenses. Where, however, the new parts installed are substantially similar to the parts removed resulting in no material betterment of the unit, all costs incurred in effecting the replacement shall be charged to operating expenses.

(d) If a unit of property is to be extensively rebuilt with the result that the expectation of its service life will be prolonged for a period fairly comparable with similar new property, the accounting shall be performed on the write-in and write-out basis. The old unit shall be considered retired and appropriate retirement accounting performed. The rebuilt unit shall be stated in the property account at the aggregate of the labor and material costs incurred, plus the appraised value (not to exceed original costs) of the second-hand material (from the old unit) reused in the rebuilding process.

(e) Upon the effective date of this system of accounts, all motor vehicles acquired and used to transport express traffic over streets and highways shall be stated in the property account at purchase cost including the values of the tires on and received with the vehicles when acquired.

3-2 Minimum role.

Units of property, and additions to, and betterments of, existing property, having a life in excess of one year and costing less than \$500.00 shall be charged to operating expenses. A minimum of a lesser amount may be substituted provided that the Commission is promptly notified and that no further change will be made in such minimum without obtaining prior authorization from the Commission. Expenditures made under a general plan shall not be parcelled to avoid the adopted minimum, nor shall unrelated items be combined to exceed the minimum.

3-3 Retirements.

(a) *Property depreciated under "Unit Plan."* When a unit of property on which depreciation charges have been accrued under the unit plan is retired from service, the book cost of the property shall be credited to the appropriate property account and concurrently charged to account 143-02—other deferred charges. This account shall be credited with the value of salvage recovered in case the property is dismantled; the amount received from the sale or trade-in of the retired property; or with the amount of insurance recovered, including amounts provided for by any self-insurance with respect to the retired property when such self-insurance covers the cause of the retirement; and with the amount of depreciation accrued to date of retirement with a concurrent charge to the appropriate accumulated depreciation-operating property account.

If the property retired is to be rebuilt in conformity with the provisions of carrier property instruction 3-1(b), the accounting shall be performed as described above, except that the appraised value (not to exceed original cost) of the parts to be utilized in the rebuilt unit shall be charged to account 121-09—unfinished construction.

Any balance remaining in account 143-02—other deferred charges after the foregoing entries have been made, shall be transferred to secondary account 26—Gain or Loss on the Sale of Assets.

(b) *Property depreciated under the "Group Plan."* When a unit of property on which depreciation charges were accrued under the group plan is retired from service, the book cost thereof shall be credited to the appropriate property account and concurrently charged, together with the cost of removal, to the accumulated depreciation-operating property account. Any salvage or insurance recovered, including amounts provided for by any self-insurance with respect to the retired property, when such self-insurance covers the cause of retirement, or the proceeds if the property is sold or traded, shall be credited to the accumulated depreciation-operating property account. No further entries are required under this plan because over or under accruals of depreciation are not cleared from accumulated depreciation-operating property account.

(c) *Land.* When land is sold, the book costs shall be credited to the land account and any difference between the book cost and the sales price, less commissions and expenses on the sale, shall be debited or credited to account 641—miscellaneous income or, when material pursuant to general instruction 1-1 to account 911—extraordinary items (net).

(d) *Determination of book cost.* The book cost of operating property retired shall be the amount at which such property is included in the property accounts. When it is impracticable to determine the book cost of individual low cost items being retired such as tools, office machines, furniture, due to the large num-

ber of items in service, the average book cost of all substantially similar items shall be used for retirement accounting purposes.

3-4 Depreciation accounting—operating property.

(a) *Method.* Depreciation charges shall be recorded monthly on depreciable carrier property by the straight-line method under the unit plan or the group plan as explained hereunder except that the mileage method may be used for automotive equipment in which event the rate per mile shall be applied to the number of miles traveled each month.

(1) *Unit Plan.* Depreciation charges are computed and accrued on the book cost of individual units of property, and the records maintained so that the total amount of depreciation accrued for each unit of property can be determined. Depreciation shall cease when the accruals credited to the accumulated depreciation account for a particular unit becomes equal to the estimated service value of the unit. Depreciation charges shall be computed on the unit plan with respect to property included in the following accounts:

- 121-02 Structures
- 121-03 Revenue equipment
- 121-04 Service cars and equipment
- 121-10 Structures on land not owned

(2) *Group Plan.* Depreciation charges are computed and accrued on the sum total of the book costs of all units of property included in each depreciable property account or subdivision thereof at composite rates based on averages of the service lives of all such units. Depreciation shall not cease until the unit is retired from service when its full book cost shall be charged to the accumulated depreciation account regardless of whether the actual service life of the unit was shorter or longer than the average for the units with which it was grouped.

(3) Depreciation charges shall be computed on either the unit or group plan with respect to property included in the following accounts:

- 121-05 Shop and garage equipment
- 121-06 Furniture and office equipment
- 121-07 Miscellaneous equipment

(b) *Rates.* Separate annual percentage rates are prescribed by Commission order for each depreciable account. The carrier may be called upon by the Commission to conduct and submit the results of studies bearing on the reasonableness of the depreciation rates in effect. If any rate prescribed by the Commission is believed to be no longer appropriate, the carrier shall submit the rate it believes should be established, supported by full particulars for consideration by the Commission.

The carrier shall keep records of property and property retirements that will reflect the service life of property retired in past years, or that will permit the determination of service life indications by mortality, turnover, or other appropriate methods. Also, the carrier shall keep records that will reflect the percentage of salvage value for property retired from each class of depreciable carrier property.

(c) *Leasehold improvements.* Depreciation charges on the cost of additions or betterments included in account 121-

08—leasehold improvements, shall be on the same basis as for similar depreciable property includable in other property accounts, except where limited by terms of the lease.

3-5 Depreciation accounting—nonoperating property.

Estimated accruals to cover depreciation on the book cost of depreciable property owned, classified as "nonoperating property," shall be recorded in the appropriate accounts monthly. The depreciation charges shall be such as to distribute the service value equitably over the service life of such property.

3-6 Salvage.

(a) When retired property is salvaged for material or parts which are to be reused by the carrier, the salvage shall be taken into the accounts at current prices for similar items, (not to exceed original cost) with due consideration of their second-hand condition.

(b) Pending the recovery of salvage (including reusable parts and material) from retired units of depreciable property the value of salvage expected to be recovered (less estimated cost of recovery) shall be estimated and recorded in account 119-02—salvage property, if it is to be recovered within a year, otherwise, in account 143-02—other deferred charges.

INSTRUCTIONS FOR OPERATING REVENUE AND MAJOR OPERATING EXPENSE ACCOUNTS

4-1 Detail of accounts.

The carrier shall keep the prescribed accounts with sufficient particularity to permit the reporting of operating revenues by the various sources involved, as outlined in the primary operating revenue accounts provided, and to permit the allocation of operating expenses by service functions. (See operating instruction 4-3)

Carrier is not required to allocate small items which will not appreciably affect these accounts.

4-2 Operating revenues.

(a) The operating revenue accounts are designed to reflect revenues derived during the current year from the performance of intra and intercity transportation services both within the United States and to and from foreign countries; and from the performance of accessorial, incidental and other transportation related services referred to and described in the texts of those accounts.

(b) Refundable overcharges resulting from the use of erroneous rates, weights, classifications or computations, (or provision for possible claims for such overcharges) and amounts of uncollected revenues on shipments destroyed, lost or refused by consignees due to delay or other causes, shall be charged to the same revenue accounts that were initially credited with such items.

4-3 Operating expenses.

(a) The operating expense accounts are designed to reflect all expenses directly and indirectly incurred during the current year in the express transportation of goods and commodities and in the performance of other related services that produce the revenues includable in the primary operating revenue accounts. The expenses of express operations shall be segregated into the major functions described below.

(b) *Equipment maintenance.* The primary operating expense accounts grouped in this major function shall include all expenses specifically identifiable with the repair and upkeep of both owned and leased railroad cars, motor vehicles (trucks, tractors and trailers), shipping containers and such other units of transport equipment being used in the performance, either of pickup and delivery services or of line haul express transportation services.

(c) *Transportation.* The primary operating expense accounts grouped in this major function shall include all expenses specifically identifiable with the performance of express transportation services, including amounts chargeable to secondary operating expense account 18—purchased transportation. As used in this system, the term "line haul" means the transportation of express shipments or other traffic between a terminal or point in one location and a terminal or point in another community, city, state, or foreign country. Transportation also includes the performance of local pickup and delivery services within the confines of communities, cities, terminal areas or commercial zones.

Purchased transportation, a secondary operating expense account, shall include amounts payable to railroads, motor carriers, air lines, water carriers and others for furnishing railroad cars, motor vehicles, airplanes, or ships for transporting express shipments and other traffic, where the vehicles so employed are furnished with drivers, are not used exclusively in the carrier's service and are not under its direction.

In the preparation of income statements, the aggregate of amounts receivable for vehicles furnished to others with the services of drivers shall be reflected as a credit to operating revenues.

(d) *Terminal.* The primary operating expense accounts grouped in this major function shall include all expenses specifically identifiable with the work functions involved in the assembly and sorting of shipments by terminals. These functions generally include cargo handling, the sorting and loading of shipments preparatory to the line haul movement by rail, highway, air or water, the unloading and sorting at destination terminal, the transfer of the shipments to city route vehicles, and collection of express charges when such responsibility lies with the terminal.

(e) *Operations.* The primary operating expense accounts grouped in this major function shall include all expenses

specifically identifiable with central operations management including the operation of the central fleet maintenance function, the central terminal operations function, the central transportation management function, and the central engineering and real estate function.

(f) *Marketing.* The primary operating expense accounts grouped in this major function shall include all expenses specifically identifiable with promotional and marketing activities designed to stimulate and expand the use of express transportation service by the public. It shall also include expenses incurred in the preparation, production and distribution of tariffs, schedules and similar publications, such as material that describes the transportation services furnished, states the rates assessed and provides other relevant information regarding the handling and movement of traffic. Also included are expenses relating to the administration of express claims, advertising and marketing research.

(g) *Finance and administration.* The primary operating expense accounts grouped in this major function shall include salaries and expenses of supervisory and clerical personnel administering to and performing financial and administrative services, including general accounting, payroll, accounts payable, revenue accounting, billing and collecting, banking, tax, insurance, internal auditing and data processing work.

(h) *Personnel.* The primary operating expense accounts grouped in this major function shall include salaries and expenses of supervisory and clerical personnel administering to and performing the functions of personnel management, office services and employee benefits. (Including company-wide cost of benefits)

(i) *Exclusive Air.* The primary operating expense accounts grouped in this major function shall include salaries and expenses of personnel involved in managing and operating exclusive air terminals and equipment. The major functions shall include maintenance, pickup and delivery service, platform work, management both local and central, property maintenance and sales and marketing. It will not include air excise tax, claims on air express shipments or air purchased transportation all of which will be recorded in primary account 524.

(j) *Executive.* The primary operating expense accounts grouped in this major function shall include salaries and expenses of those principal officers who have plenary authority and jurisdiction over the carrier's entire organization and operations; also, salaries and other expenses incurred in the performance of legal, purchasing, security and related functions that contribute to and have general applicability to the work and activities of all departments, divisions and other organizational units engaged in the conduct of the carrier's express transportation business.

4-4 Expense distribution.

(a) The several classes of primary operating expenses shall be directly distributed to the applicable service functions to the fullest possible extent. Expenses common to two or more functions and system expenses shall be equitably distributed to the service functions. The basis for distribution and the underlying records in support thereof shall be readily available for inspection. The following categories of expense shall be distributed among the respective elements provided, as outlined in this instruction.

(b) *Equipment maintenance.* To facilitate the allocation of costs among the applicable units of service, the primary maintenance expense accounts are classified into:

- (1) Maintenance management
- (2) Line haul maintenance
- (3) Pickup and delivery maintenance
- (4) Service cars, and
- (5) Railroad car maintenance

Applicable elements of directly assignable expenses shall be allocated between those classifications on the basis of the predominant service of the respective vehicles.

(c) *Terminal-Operations.* To facilitate the allocation of costs among the applicable units of service, expenses relating to branch terminal operations and activities shall be segregated into primary operating expense accounts as follows:

- (1) terminal management
- (2) cargo handling
- (3) property maintenance

Items of directly assignable expense classified in the category, Cargo Handling, shall be separated between amounts applicable to "surface" shipments and amounts applicable to "air" express shipments by means of the tertiary location number.

At terminals where both surface and air express traffic are handled, joint expenses shall be initially classified as "surface" and prorated between "surface" and "air" for each cost study.

(d) *Purchased transportation.* This secondary operating expense account shall be segregated between:

- (1) line haul (excluding "trailers on flat cars")
- (2) pickup and delivery
- (3) air, and
- (4) railroad transportation (including "trailers on flat cars")

(e) *Marketing.* Expenses directly identifiable with the promotion and advertising of surface and air express traffic shall be included in separate subdivisions of the applicable primary operating expense accounts prescribed.

SECONDARY OPERATING EXPENSE ACCOUNTS

One or more secondary operating expense accounts are prescribed for each primary operating expense account. These secondary operating expense accounts are detailed below and the tabulations, where set forth, are merely illustrative of the applicable primary expense accounts.

01. Payroll.

(a) This expense account includes, in general, all items of compensation for services actually rendered by employees of the company, such as salaries, wages, premiums, bonuses and cash prizes or prizes costing \$25.00 or more for contests and similar events. It also includes vacation accrual, sick leave or absentee benefits, separation, holiday and military leave, etc.

(b) This account should not be charged with items of payroll billed by outside agencies on a contractual or similar basis.

(c) Capital improvements made by regular employees should be credited to this account.

(d) Except for those positions specifically identified in this secondary account under primary account 591, Executive Management, salaries of all others shall be charged to the primary operating expense accounts applicable to their work responsibilities.

(e) When a person temporarily works on a job in a terminal or expense account other than the one to which the person's salary is regularly charged, no transfer or earnings or hours shall be made between primary accounts.

(f) The cost of extra personnel hired in connection with a physical inventory shall be charged to primary account 561—banking and corporate accounting.

(g) Salaries paid to an employee during the first training period should be charged to the terminal and work function to which the employee has been, or will be assigned. This does not apply to management trainees which expense should be charged to primary account 572—office services.

(h) Salaries of assistants and secretaries are charged to the same primary account as the salary of the person for whom he or she works.

(i) Vacation accrual is charged to primary account 573—employee benefits.

02. Employees welfare.

(a) This expense account is used for the distribution of employee benefits to all primary operating expense accounts, thus obtaining total payroll and employee welfare costs.

(b) The basis of the allocation shall be the ratio of total employee benefits (primary account 573) to total payroll (expense account 01) excluding employee benefits payroll (573-01). Each primary account shall bear its related ratio cost. (Excluding (573-01).) The charge shall be included in expense account 02 in each of the primary accounts. The credit shall be to 573-02 for the amount of employee benefits distributed to all other primary accounts.

03. Advertising.

(a) This expense account includes all costs of advertising media such as the cost of space in newspapers, periodicals, programs, streetcars and billboards; the cost of direct mail advertising; and the cost of radio and television station time. It also includes direct outside costs of

electros, cuts, mats and engraving related to the foregoing.

(b) This account should not be charged with the production costs incident to the preparation of the various types of media advertising which costs are to be charged to their appropriate expense accounts, as for example; payroll, supplies, services purchased, etc.

(c) Advertising credits for all types of media should be credited to this account.

(d) All advertising should be charged to primary account 554—surface advertising or 555—air advertising, as appropriate.

04. Taxes and licenses.

(a) This expense account includes all taxes, licenses and bridge, ferry, highway and tunnel tolls incurred in trans-

porting express traffic, paid or accrued with the exception of federal, state, and other taxes based on income which are to be charged to account 810—federal income taxes on ordinary income, or account 930—income taxes on extraordinary and prior period items.

(b) This account includes all real and personal property taxes, franchise taxes, license fees, and other taxes not included elsewhere imposed by the various government bodies.

(c) The tax credit or income received as reimbursement for the expenses involved in the collection of state or local taxes should be credited to account 641—miscellaneous income.

(d) Taxes and licenses should be charged to primary accounts as follows:

<i>Types of Taxes and Licenses</i>	<i>Primary Account</i>
Line haul license fees.....	522
Tolls.....	522 and 523 as appropriate
Pickup and delivery license fees.....	523-582
Personal property taxes on furniture, fixtures and equipment.....	Primary account of department in which located
Real estate taxes on land and buildings.....	511, 531, 541, 584 or 591, as appropriate
Railroad retirement taxes.....	573
Railroad unemployment insurance taxes.....	573
Franchise taxes.....	591
Air excise tax.....	524
Automobiles and station wagons.....	Appropriate primary account of the department the officer or employee is assigned

05. Utilities.

(a) This expense account includes the cost of various types of fuels such as coal, oil, gas, water, electricity, and steam purchased or used in the generation of heat, light and power and the maintenance of air conditioning systems.

(b) Utilities should be charged to primary accounts 511—maintenance management, 531—terminal management, 584—terminal management-exclusive air, or 591—executive management, as appropriate.

06. Supplies.

(a) This expense account includes the cost of items consumed in the operation of the business, such as stationery and related items and materials for wrapping, packing, cleaning, repairing, postage, etc.

(b) This account should not be charged with publication subscriptions which are to be charged to account 08—unclassified.

(c) Supplies can be divided into two distinct categories: administrative supplies and functional supplies. Administrative supplies relate to those of a general nature such as pencils, pens, paper clips, ordinary stationery, etc. Functional supplies are those of a special nature, usually characteristic of and purchased specifically for a particular function, and, therefore, may be significant in amount, such as voucher checks, accounts receivable statements, wrapping or cleaning supplies, repair parts, express receipts, etc.

(d) Administrative supplies for the entire company, such as stationery, envelopes, carbon paper, pencils and paper clips should be charged to primary account 593—purchasing.

(e) Functional supplies (including postage) should be charged to its related primary account.

Examples follow:

<i>Type of Supply</i>	<i>Primary Account</i>
Repair parts for line haul vehicles such as chains, lubricants, small tools and batteries.....	512
Repair parts for pickup and delivery vehicles, such as chains, lubricants, small tools and batteries.....	513
Uniforms for employees (including cost of laundry).....	531
Brushes and mops.....	531
Cleaning supplies.....	531
Soap and cleaning powder.....	531
Toilet and rest room supplies.....	531
Express receipts.....	531
Money bags.....	531
C. O. D. sheets.....	532
Furniture pads and covers.....	532
Hangers.....	532
Merchandise covers.....	532
Pallets.....	532
Racks, hampers, etc.....	532
Receiving forms and records.....	532
Stock boards.....	532
Trip sheets.....	532
Wrapping and packing supplies such as boxes, bags, wrapping paper, tissue, corrugated paper, twine, lumber, etc.....	532
Electric bulbs.....	534
Repair parts.....	534
Tools.....	534

Type of Supply	Primary Account
Artist's supplies.....	554 or 555
Copywriter's supplies.....	554 or 555
Photographer's supplies.....	554 or 555
Postage on direct mail advertising.....	554 or 555
Postage on Tariffs.....	557
Postage on Disbursements.....	562
Accounts receivable ledgers.....	564
Charge or credit plates.....	564
Credit and refund forms.....	564
Postage on customers statements.....	564
Collection letters.....	569
Credit applications.....	569
Application blanks.....	571
Personnel forms and folders.....	571
Gifts, pins, etc. given to employees for anniversaries and other occasions.....	571
Medical supplies.....	571
Reading materials.....	571
Recreational equipment.....	571
Binders.....	591
Business cards.....	591
Executive stationery.....	591
Stock certificates.....	591

07. Services purchased.

(a) This expense account includes charges for all non-professional services rendered by outsiders which aid, supplement, or substitute for the normal routine activity of the terminal, garage or office. It consists exclusively of services performed by outsiders, whether they be companies, individuals, agencies, or independent contractors, provided the services are not chargeable to expense account 14—professional services.

(b) This account should not be charged with any internal costs incidental to the receiving of any of the services purchased, which items are to be charged to the appropriate expense accounts.

(c) There are no expense accounts for repairs and maintenance. If repair and maintenance work is done by employees, the repair and maintenance payroll should be charged to expense account 01—payroll and supplies to expense account 06—supplies. If the work is done by an independent contractor, the invoice should be charged to expense account 07—services purchased.

(d) Fees paid to employment agencies for the hiring of personnel are charged to the primary account for which the employee was hired.

(e) Repair services by outside companies and maintenance contracts for all terminal properties, such as elevators and escalators, heat, light and power systems, air conditioning and cooling systems, fixtures and leasehold improvements shall be charged to primary account 534—property maintenance.

(f) Repair services by outside companies and maintenance contracts for equipment are to be charged to the primary account in which the equipment is used.

(g) All other services purchased should be charged to primary accounts as follows:

Type of Service	Primary Account
Hired mail trucks.....	531
Hired messengers.....	531
Interior and exterior building cleaning by outsiders.....	531
Window cleaning by outsiders.....	531
Alarm protection services.....	531
Terminal property repair and maintenance charges by outsiders.....	534
Copywriting, art and photographic services purchased from outsiders for publicity purposes (including such services of individuals when engaged on a retainer basis).....	554 or 555
Cost of transcribing programs in connection with radio and television advertising.....	554 or 555
Services of outside advertising agencies.....	554 or 555
Stuffing and sorting of direct mail and addressography by an outside agency.....	554 or 555
Talent charges and studio announcers' fees.....	554 or 555
Inventory extensions.....	561
Payroll preparations.....	562
Collection agency services.....	569
Armored car service.....	594
Outside detective services.....	594
Collection attorney and agency fees (other than those applicable to account previously written off).....	569
Credit bureau membership and report costs.....	569
Fees charged by banks for processing accounts receivable mail payments.....	564
Service bureaus for computer work.....	567
Service bureaus for keypunching.....	567
Annual retainer fees paid to executive personnel agencies.....	571
Doctors' and nurses' fees.....	571
Employee welfare or recreational activities.....	571
Reference investigations.....	571
Outside classes for employees.....	572
Special job instruction.....	572

08. Unclassified.

(a) This expense account includes all expenses not otherwise classified as chargeable to another expense account. Care should be exercised to limit charges to this account to type of items which are specified below or which cannot be more appropriately charged elsewhere.

(b) Bridge, ferry, highway and tunnel tolls incurred in transporting express traffic shall be charged to expense account 04—Taxes and Licenses.

(c) All expenses of interviewing and hiring personnel including all interview travel expenses paid to applicants and moving allowances paid to personnel hired are charged to the primary account of the function for which interviewed or hired.

(d) Prizes and awards costing less than \$25.00 for contests should be charged to the primary account to which the employee's payroll is charged.

(e) All memberships, dues, subscriptions, etc. should be charged to the primary account to which the employee's payroll is charged.

(f) All suppers and supper money shall be charged to 09—Traveling.

(g) All expenses relating to cleaning should be charged to the primary account involved using this expense account.

(h) Employment ads should be charged to the primary account incurring the expense.

(i) All other unclassified expenses should be charged to primary accounts as follows:

Type of Expense	Primary Account
Mailing lists for direct mail.....	554 or 555
Bank service charges.....	561
Writing off differences in accounts receivable controls.....	564
Cash shortages of accounts receivable, cashiers and drivers.....	569
Travel expenses to colleges for the purpose of recruitment.....	571
Doctor's and nurses' automobile expense.....	571
Allowances for tuition for courses taken by employees.....	571
Cost of company sponsored parties.....	571
Prizes paid for employee suggestions.....	571
Directors' fees.....	591
Entertainment of a general company nature.....	591
Registrar fees.....	591
Transfer agent fees.....	591

09. Traveling.

(a) This expense account includes all expenses arising as a result of domestic and foreign travel of all employees (including line haul drivers) of the company for business purposes if the individual is reimbursed therefor. Such expenses include transportation, hotel bills, meals, tips and incidentals.

(b) To be included also as a charge to this expense account are local transportation expenses, transportation costs for travel between the terminals and automobile hire.

(c) Out-of-pocket expenses by employees who use company cars and allowances to employees for use of their cars on company business shall be charged to this expense account.

(d) Meal allowances to employees working after scheduled hours shall be charged to this account.

(e) Traveling expenses of applicants for position and moving expenses of newly hired and relocated employees shall be charged to expense account 08—unclassified.

(f) Traveling expenses and meal allowances shall be charged to the primary account in which the employee's payroll is charged.

10. Communications.

(a) This expense account includes all expenses relative to the cost of terminal and service unit communications, including local telephone service, toll calls, telegrams, teletype services, telephone and other communications, and equipment rentals.

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(b) All postage shall be charged to expense account 06—supplies and not to this expense account.

(c) Telephone equipment rental, toll charges, cable charges and telegrams shall be charged to primary account 531—terminal management.

(d) Expenses of leased lines (WATS, centrex, teletypes, etc.) shall be charged to primary account 567—data processing.

(e) Rental or telephone order board equipment and monthly telephone service charges incurred in connection with the telephone order function is chargeable to primary account 531—terminal management.

11. Pensions.

(a) This expense account includes payments to trustees under profit sharing and pension plans for the benefit of employees in active service and payments for pensions directly to retired employees or to their beneficiaries where no trust fund exists.

(b) Pensions are charged to primary account 573—employee benefits.

12. Insurance.

(a) This expense account includes the cost of all insurance, whether actually purchased or provided for through self-insurance, i.e. cargo loss and damage, personal injury and property damage, etc.

(b) The cost of fixed premiums are distributed over the term for which the protection is provided.

(c) The cost of variable premiums is accrued each month.

(d) Dividends and earnings on mutual and reciprocal insurance contracts are credited to this expense account.

(e) Insurance on revenue equipment, including fire, theft, public liability and property damage is chargeable to primary accounts 522, 523, 525, or 582 as appropriate.

(f) Insurance on structures is chargeable to primary accounts 511—maintenance management, 531—terminal management, 541—operations management, 584—terminal management—exclusive air, or 591—executive management, as appropriate. Insurance on furniture is chargeable to the primary expense account of the department in which located.

(g) Insurance on employees such as workmen's compensation, health and welfare, group insurance and payments for supplemental unemployment benefits is chargeable to primary account 573—employee benefits.

(h) All other insurance is chargeable to primary account 591—executive management.

13. Depreciation.

(a) This expense account includes depreciation of the book value of the capital assets employed in the operation of the business such as buildings, fixtures, vehicles, furniture and office equipment and leasehold improvements.

(b) In order to evaluate comparative profitability from the standpoint of operating efficiency, straight-line depreciation shall be used for all reports even

though accelerated depreciation may be used for tax purposes.

(c) Depreciation charges on the fol-

lowing property and equipment should be charged to the primary accounts indicated below:

<i>Property or Equipment</i>	<i>Primary Account</i>
Shop and garage equipment (except service cars).....	511-581
Automobiles, service cars and equipment used in maintenance and repair operations.....	514-581
Line haul equipment.....	523
Surface and air pickup and delivery equipment.....	523-582
Railroad car equipment.....	525
Structures, leasehold improvements and office furniture and equipment:	
Maintenance operations.....	511
Terminal operations.....	531-584
Operations management.....	541
General and administrative operations.....	591
Other office furniture and equipment.....	Primary account of department in which located
Automobiles and station wagons used by officers and employees.....	Appropriate primary account of the department the officer or employee is assigned

14. Professional services.

(a) This expense account includes, in general, the cost of any service of a highly specialized and professional character furnished by outside professional agencies such as accountants, appraisers, architects, consultants, and lawyers.

(b) Professional services are distinguished from services purchased in that they are limited to those services which, by their very nature, are normally secured from outside specialists and experts qualified by training, and often licensed by governmental bodies or divisions.

(c) Do not include attorney fees for the collection of past due accounts receivable which should be charged to expense account 07—Services Purchased.

(d) This account should not be charged with the cost of financial or economic services, which are regularly issued as publications. These should be charged to expense account 08—unclassified.

(e) Professional services should be charged to primary accounts as follows:

<i>Type of Service</i>	<i>Primary Account</i>
Appraisal fees (if not capitalized).....	544
Architects fees (if not capitalized).....	544
Industrial engineers and management consultants, relating to terminal operations.....	544
Customer market surveys.....	556/588
Professional services of outside agencies for publicity surveys or for advisory purposes (excluding fees paid to advertising agencies for their services in the preparation of advertising and other publicity or promotional campaign).....	554 or 555
Certified public accountants' fees.....	561
Charges from outside professional agencies for consultations, evaluations, and surveys in connection with systems.....	568
Actuarial and professional fees for pension and retirement plans.....	571
Fees for outside professional services such as labor attorneys,	

<i>Type of Service</i>	<i>Primary Account</i>
labor relations, specialists, arbitrators, personnel surveys, etc.	571
Fees for efficiency and service studies.....	591
Fees for general and feasibility studies.....	591
Legal fees.....	592

15. Donations.

(a) This expense account includes contributions to all welfare, charitable, educational and similar institutions where the purpose of the donation is not principally for publicity objectives.

(b) The contribution may be in the form of cash or merchandise.

(c) Donations are chargeable to primary account 591—executive management.

16. Uncollectible revenues.

(a) This expense account includes either actual bad debts written off or the provision relating to an allowance for doubtful accounts.

(b) It also includes losses due to bad checks.

(c) Bad debts (net of attorney fees applicable to accounts written off) are chargeable to primary account 569 credit and collections.

17. Equipment rentals.

(a) This expense account includes the rent paid for personal property used in the operation of the business except for communication equipment which is to be charged to expense account 10—communications.

(b) This account shall be credited with amounts receivable for vehicles furnished to others without the service of drivers.

(c) The cost of other leased or rental equipment (except communication equipment) is chargeable to the primary account for which the equipment is used.

18. Purchased transportation.

(a) This expense account includes amounts payable to others for furnishing vehicles with the services of drivers, individual shipments billed by the ac-

counting carrier but carried by another, piggyback payments and tariff allowances to shippers and consignees for pickup and delivery service.

(b) This account should be charged with payments made to airlines for performing the line haul on air express traffic.

(c) Amounts receivable for line haul vehicles furnished to others with the services of drivers should be credited to revenue account 341-01-sold transportation.

(d) This account is not to be used for substitute service purchase from outside parties as explained in secondary account 25.

(e) Purchased transportation is chargeable as follows:

Type of Service	Primary Account
Line haul vehicles.....	522
Intercity shipments hauled by another carrier.....	522
Pickup and delivery vehicles.....	523-582
Local shipments hauled by another carrier.....	523
Payments to airlines.....	524

19. Commission agents.

(a) This expense account includes amounts paid to others on a commission or other basis for the solicitation, terminal handling and pickup and delivery of express shipments at points where the carrier does not operate terminals.

(b) This account also includes amounts allowed commission agents for expenses such as advertising, rent, light, heat, power and water, telephone and telegraphic service, and items of a similar nature.

(c) Commission agents are chargeable to primary account 531-terminal management.

20. Real property rentals.

(a) This expense account includes rent paid for real property used in the operation of the business.

(b) Do not include in this expense account expenses such as taxes, supplies, repairs, insurance, depreciation and interest when paid directly by the company. These items are to be charged to the applicable expense accounts.

(c) Rent paid for real property not used in express operations shall be charged to primary account 612-00-noncarrier expenses.

(d) Real property rentals are chargeable as follows:

Department	Primary Account
Equipment maintenance.....	511/581
Terminal.....	531/584
Operations.....	541/544
Marketing.....	552/559
Finance and administration.....	563/584
Personnel.....	571
Executive.....	591

21. Tires and tubes.

(a) This expense account includes the cost (including taxes thereon) or replacement tires and tubes applied to revenue equipment.

(b) The cost of tires and tubes applied to new revenue equipment shall be in-

cluded in balance sheet account 121-03-revenue equipment.

(c) The cost of unapplied tires and tubes held in stock shall be carried in balance sheet account 116-05-unapplied tires and tubes.

(d) The cost of tires and tubes included in balance sheet account 116-05-unapplied tires and tubes, shall be adjusted based on periodical physical inventory taken at least annually.

(e) Tires and tubes of service equipment should be charged to primary account 514-service cars.

(f) Tires and tubes of all automobiles should be charged to the primary account incurring the expense.

(g) Tires and tubes are chargeable as follows:

Type of Equipment	Primary Account
Line haul vehicles (size 10:00).....	512
Pickup and delivery equipment (size 6:00 to 9:00).....	513

22. Motor fuel and oil.

(a) This expense account includes the cost of gasoline, other motor fuel, enriching materials and motor oils (including taxes thereon) used by revenue equipment.

(b) Include in this account, transportation charges paid to others on motor fuel and oil.

(c) Motor fuel and oil used in automobiles and service cars used in maintenance and repair operations shall be charged to primary account 514-service cars.

(d) Motor fuel and oil consumed in vehicles used in transportation express over streets and highways is chargeable to primary account 522-line haul transportation, when it is diesel oil purchases and, primary account 523-pickup and delivery transportation when it is gasoline purchases.

(e) Motor fuel used in automobiles and station wagons shall be charged to the primary expense account of the department incurring the expense.

23. Demurrage and detention charges.

(a) This expense account includes charges made by railroads against the carrier for failure to pickup or return railroad owned trailers used by the carrier in "trailers on flat cars" service, within the "free time" period prescribed in contracts for such movements.

(b) Demurrage and detention costs shall be charged to primary account 522-line haul transportation or 525-railroad transportation, as appropriate.

24. Regulatory fees.

(a) This expense account includes expenses incurred by the carrier in connection with formal cases before Federal or State regulatory bodies or cases to which such a body is a party.

(b) This account also includes payments made to a regulatory commission for fees or amounts assessed against the carrier for pay and expenses of the regulatory commission, its officers, agents, and employees, other than those incurred in securing certificates of convenience

and necessity and authority for the issuance of securities.

(c) Expenses incurred for the improvement of service, for additional inspection, or rendering reports which are made necessary by the rules and regulations, or orders, of regulatory bodies, shall be charged to the appropriate operating expense accounts.

(d) Regulatory fees are chargeable to primary account 592-Law.

25. Surface substitute service.

This expense account reflects the cost of purchased surface services from an independent third party contractor, encompassing both line haul and local pickup and delivery services. The charges for such services are of a nature which makes it difficult to reflect either exclusive line haul or exclusive pickup and delivery.

26. Gain or loss on sale of assets (unit plan).

This account includes the difference between the selling price and net book value including the related selling expenses of assets disposal. This pertains only to assets maintained under the "unit plan".

91. Maintenance transfers.

This secondary operating expense account shall be used when it is necessary to effect a transfer of expenses from one or more primary operating expense accounts in the major operating expense function "equipment maintenance" to one or more other primary operating expense accounts in the same major operating expense function.

92. Transportation transfers.

This secondary operating expense account shall be used when it is necessary to effect a transfer of expenses from one or more primary operating expense accounts in the major operating expense function "transportation" to one or more other primary operating expense accounts in the same major operating expense function.

93. Other expense transfers.

This secondary operating expense account shall be used when it is necessary to effect a transfer of expenses from one or more primary operating expense accounts in one of the other major operating expense functions to one or more other primary operating expense accounts in the same major operating expense function.

94. Interdepartment transfers.

This secondary operating expense account shall be used when it is necessary to effect a transfer of expenses from one or more primary operating expense accounts in one major operating expense function to one or more primary operating expense accounts in a different major operating expense function.

95. Other credits.

This secondary operating expense account shall be used to credit a primary

operating expense account with amounts which are to be charged to accounts other than primary operating expenses. Credits are to be made through this secondary operating expense account regardless of whether the credit applies to only one of the secondary operating expense accounts or is a composite credit entry.

99. Multi-terminal distribution.

This secondary operating expense account shall be used for the specific purpose of providing a vehicle whereby accumulated service unit expenses may be redistributed to individual terminals for internal management purposes.

BALANCE SHEET ACCOUNT CLASSIFICATIONS

100. Assets.

110. Current assets.

111. Cash.

(a) This account shall include current funds in the hands of financial officers and agents, cash in transit for which managers and agents have received credit, and funds deposited in banks and trust companies available on demand for general company purposes.

(b) This account by secondary account number shall also denote funds specifically deposited with fiscal agents or others for the payment of dividends, interest and other current obligations; also, working funds and performance or similar deposits which it is reasonable to expect will be withdrawn by the carrier within a year. Amounts of checks and sight drafts issued and transmitted to payees that remain unpaid at the close of the accounting period shall be credited to this account.

(c) The secondary account numbers for this account follow:

- 01 to 80 inclusive, reserved for designation of bank depositors
- 81 Working funds
- 91 Special deposits of interest
- 92 Special deposits of dividends
- 93 Miscellaneous special deposits
- 94 Cash in transit

112. Temporary investments.

This account shall include the cost of securities of others and other collectible obligations acquired for the purpose of temporarily investing cash, such as, United States Treasury Certificates, readily marketable securities, short-term time drafts, demand loans, time loans, time deposits with banks and trust companies, and other similar investments of a temporary character. Any securities included in this account must be of such a nature as to be readily convertible into cash at substantially their book value.

113. Notes receivable.

(a) This account shall include the book value of all collectible obligations (excluding those from affiliated companies) in the form of notes receivable, contracts receivable, and similar evidences of money receivable which are collectible on demand or within one year from date of issue.

(b) This account shall be subdivided by secondary account numbers as follows:

- 01 Customer notes receivable
- 02 Employee notes receivable
- 03 Other notes receivable

114. Accounts receivable.

This account shall be subdivided by secondary account numbers to include:

01 *Customer accounts receivable.* The amounts receivable from customers for transportation services performed. Does not include charges to the U.S. Government.

02 *Interline accounts receivable.* The net interline account balance receivable from other carriers in connection with the interchange of through express traffic.

03 *Agent accounts receivable.* The net balances, including amounts of unremitted cash, due in current accounts from managers, agents, other employees or representatives entrusted with the collection or custody of current revenues.

04 *Employee accounts receivable.* Receivables due in current accounts from employees for supplies furnished, for assets sold, and for funds advanced.

05 *Other accounts receivable.* Receivables due in current accounts from others (except affiliated companies) for rental of property, for supplies furnished, for assets sold, and for funds advanced.

06 *Subscriptions receivable.* Balances due from subscribers upon legally enforceable subscriptions to capital stock.

07 *Interest receivable.*

08 *Dividends receivable.*

09 *Advances due from consignees.*

10 *Customer accounts receivable—U.S. government.* The amount receivable from the U.S. Government for transportation services performed. Does not include charges to regular customers.

11 *Interline accounts receivable accrual.* This balance represents monies estimated due from other carriers in connection with the interchange of through express traffic.

12 *Agents accounts receivable—debit transfer waybills.* This represents accounts receivable billing in transit for company agents.

17 *Interline accounts receivable—debit transfer waybills.* This represents accounts receivable billing in transit due from other carriers in connection with the interchange of through express traffic.

18 *Agents accounts receivable—credit transfer waybills.* This represents accounts receivable collections or settlements in transit for company agents.

20 *Airline receivable—substitute service.* This represents monies due from various airlines for services performed by the carrier on air shipments where the airline was unable to complete their service.

115. Allowance for uncollectible receivables.

(a) This account shall be credited with estimates for receivables of uncertain or doubtful collectibility. The account shall be subdivided by secondary account numbers as follows:

- 01 Customer uncollectible receivables
- 02 Interline uncollectible receivables
- 03 Agent uncollectible receivables
- 04 Employee uncollectible receivables
- 05 Other uncollectible receivables

(b) A review shall be made periodically to determine adequacy of balances in each subdivision of this account.

116. Material and supplies.

(a) This account shall include by secondary account numbers, cost of repair parts and materials, fuel, unapplied tires and tubes, and the variety of other articles and supplies (except stationery and printed matter) needed to maintain and operate equipment and other property used in carrier and noncarrier operations. The term "costs" as used herein, means the purchase cost plus sales taxes, excise taxes, and transportation to points of delivery, less purchase or trade discounts.

(b) Issues of materials and supplies shall be charged to the appropriate operating expense or other accounts at their actual costs, average costs, or at amounts based on a recognized pricing system provided that such system is consistently applied.

(c) Reusable parts and material recovered in the process of demolishing and repairing property shall be recorded in this account at current second-hand value, not to exceed original cost.

(d) A physical inventory shall be taken at least annually of all unapplied materials and supplies on hand and entries shall be recorded to adjust the books to the inventory figures. To the extent practicable, adjustments shall be made directly to the primary operating expense accounts to which such material and supplies were charged during the period. Differences that cannot be directly allocated shall be equitably apportioned among the primary operating expense accounts to which materials and supplies were charged since the last inventory.

(e) This account shall be subdivided by secondary account numbers as follows:

- 01 Container deposits
- 02 Small tools
- 03 Repair parts
- 04 Motor fuel
- 05 Unapplied tires and tubes
- 06 Miscellaneous supplies

117. Prepayments.

(a) This account shall include amounts of expenses paid or incurred in advance of their accrual, the benefits of which are to be realized in subsequent periods. Entries shall be made to transfer the portion of the prepayments expiring each month to the appropriate expense or other accounts.

(b) This account shall be subdivided by secondary account numbers as follows:

- 01 Prepaid taxes and licenses
- 02 Prepaid insurance
- 03 Prepaid interest
- 04 Prepaid rents
- 05 Miscellaneous prepayments

118. Affiliate receivables.

(a) This account shall include gross amounts due from affiliated companies which normally are settled currently, such as, receivables for services and materials furnished, rentals, traffic balances, matured interest, dividends and other items in open account. Also include herein, the amounts of loans and

notes which will fall due and collectible from affiliates within a year.

(b) This account shall be subdivided as follows:

- 01 Loans receivable
- 02 Accounts receivable
- 03 Interest receivable
- 04 Dividends receivable

(c) For balance sheet presentation, the amount of receivables from or payables to each individual affiliated company shall be shown as a net receivable or net payable, as appropriate.

119. Other current assets.

This account shall include the amount of other current assets subdivided by account numbers:

- 01 Resale property
- 02 Salvage property
- 03 Miscellaneous other current assets

120. Tangible property.

121. Operating property.

(a) This general account shall be subdivided by secondary account numbers representing the cost of operating property used by the carrier in its express operations, including such property held by agents. The subdivisions are:

- 01 Land and landrights
- 02 Structures on land owned
- 03 Revenue equipment
- 04 Service cars and equipment
- 05 Shop and garage equipment
- 06 Furniture and office equipment
- 07 Miscellaneous equipment
- 08 Leasehold improvements
- 09 Unfinished construction
- 10 Structures on land not owned
- 11 Unfinished construction on land not owned
- 12 Unfinished construction-leasehold improvements

(b) 01 *Land and landrights.* (1) This account shall include the initial cost of land used by the carrier in its express operations, plus the cost of subsequent non-depreciable improvements.

(2) Land temporarily vacated but which it is contemplated will be returned to express service within one year shall be retained in this account.

NOTE: Vacated land not planned to be returned to express service within a year, shall be removed from this account. If the land is to remain idle until sold or otherwise disposed of, or if diverted by the carrier for use in its own non-express service, or if leased to others for non-express purposes, the investment therein shall be transferred to account 123-01-Nonoperating Property-Land.

(c) 02 *Structures on land owned.* (1) This account shall include the cost in place of buildings and appurtenances, located on owned land, and used in express operations for such purposes as general offices, agency offices, terminals, loading platforms, and repair shops. "Cost" in the sense intended, is the cost of the buildings themselves plus the cost of permanent fixtures, heating and sanitary systems, lighting and air conditioning apparatus, elevators, vaults and other items required to fit the buildings for occupancy.

(2) Records shall be kept showing the cost of each building, whether on leased

or owned land, the function for which primarily used in express operations, and identification with surface express, air express or joint express operations according to use. Structures on leased land are to be recorded in secondary account 10.

(d) 03 *Revenue equipment.* (1) This account shall include the cost of trucks, tractors, semitrailers and trailers engaged in transporting express shipments over streets and highways, together with the first set of accessories required to fit them for service, including tires and tubes also radio communication apparatus, refrigeration machinery, hoists and other like equipment installed on the vehicles to improve their efficiency and performance.

(2) Spare engines kept available to temporarily replace similar units removed for repair or overhaul may be included in this account at cost.

(3) Records shall be maintained to reflect the investment cost by class of those vehicles used predominantly or exclusively in local pickup and delivery or transfer service separately from the investment cost of those vehicles used predominantly or solely in intercity line haul services.

(4) This account shall include the cost of carrier owned rail cars of all classes used in express operations, together with the cost of additions and betterments to such cars.

NOTE: The records supporting this account shall be maintained to show the investment in and number of each different type of car owned.

(5) This account shall reflect the cost of containers, cages, and similar receptacles used to facilitate the handling and transportation of express shipments, and portable safes providing protection to shipments of cash, securities and other valuables while in transit which shall be identified with surface express, air express or joint express service according to use.

NOTE: The investment in office safes located in general, local, terminal, garage, shop, and agent offices, shall be carried in account 121-06-Furniture and Office Equipment.

(e) 04 *Service cars and equipment* (1) This account shall include the cost of wrecker trucks, service trucks and other mobile automotive equipment, including cost of original tires and tubes thereon, used to tow disabled vehicles, to pick up parts and for additional purposes connected with the repair and servicing of equipment and other property.

(2) The cost of radio receiving and sending apparatus installed on service vehicles shall be included in this account.

(f) 05 *Shop and garage equipment.* This account shall include the installed cost of stationery machinery and equipment (not an integral part of the building itself), together with the foundations on which mounted used in the maintenance and servicing of equipment and other property.

(g) 06 *Furniture and office equipment.* (1) This account shall include the installed cost of office furniture and fix-

tures and office machines and equipment wherever located or used when not an integral part of the building itself.

(2) Records shall be maintained to provide a segregation and breakdown of the cost recorded herein by locations, so as to show the respective portions of such cost assignable to property of this class in (a) executive and general offices, (b) district offices, (c) agency offices, (d) garage and shop offices, (e) terminal offices, and (f) all other offices.

(h) 07 *Miscellaneous equipment.* (1) This account shall include the cost of equipment used in the loading, unloading, sorting, arranging, moving or other handling of express cargo at terminals, warehouses and rail station platforms, such as, conveyor lines, chutes, automatic sorters, tow cars systems, lifts, platform and depot tractors, self-propelled and manually pulled trucks and other wheeled conveyances.

(2) This account shall be subdivided to reflect the cost of conveyor lines, tow cart systems and other similar facilities separately from platform and depot tractors and trucks and other wheeled conveyances having substantially shorter service lives.

(3) The items in this account shall be identified with surface express, air express or joint express operations according to use.

(4) This account shall reflect the cost of carrier owned automobiles and station wagons (including cost of original tires and tubes thereon), and of airplanes acquired for use of officers, employees or agents in the performance of their assigned duties on behalf of the carrier.

(i) 08 *Leasehold improvements.* (1) This account shall include the aggregate cost of preparing and readying leased property for initial use in express operations; also the cost of subsequent additions to and betterments of the leased property.

(2) Each addition or betterment shall be identified with surface express, air express or joint express operations according to use.

NOTE: Amortization accruing on improvements to leased property shall be accounted for in the same manner as for similar owned property, excess where limited by terms of the lease.

(j) 09 *Unfinished construction on land owned.* (1) This account shall include the accumulated costs with respect to property that either is in process of construction at date of balance sheet or which for other reasons is not yet ready for initial placement in active service. The costs recorded herein shall be transferred to the appropriate property investment account in the month the property is placed in service.

(2) Each project shall be identified according to planned use of the facility in surface express, air express or joint express operations.

(k) 10 *Structures on land not owned.* See secondary account 02.

(l) 11 *Unfinished construction on land not owned.*

(m) 12 *Unfinished construction-leasehold improvements.*

122. Accumulated depreciation on operating property.

(a) This account shall reflect the accumulated depreciation for losses in value of carrier operating property which have been created through charges each month to appropriate operating expense accounts. (See carrier property instruction 3-4)

(b) Charges shall be made to the accumulated depreciation account when depreciable carrier operating property is retired from service. (See carrier property instruction 3-3)

(c) This account shall be subdivided as follows:

- 02 Accumulated depreciation—structures on land owned
- 03 Accumulated depreciation—revenue equipment
- 04 Accumulated depreciation—service cars and equipment
- 05 Accumulated depreciation—shop and garage equipment
- 06 Accumulated depreciation—furniture and office equipment
- 07 Accumulated depreciation—miscellaneous equipment
- 08 Accumulated depreciation—leasehold improvements
- 09 Accumulated depreciation—structures on land not owned

123. Nonoperating property.

(a) This account shall reflect the investment in property used by the carrier or leased by the carrier to others where the end use, activity or purpose is not related nor associated with express operations.

(b) By secondary account numbers this account shall be subdivided as follows:

- 01 Land
- 02 Structures on land owned
- 03 Equipment
- 04 Structures on land not owned

124. Accumulated depreciation on nonoperating property.

(a) Estimated accruals to cover depreciation on the book cost of property classified as nonoperating property shall be recorded monthly to distribute the service value equitably over the service life of the property.

(b) This account shall be subdivided by secondary codes as follows:

- 02 Accumulated depreciation—structures on land owned
- 03 Accumulated depreciation—equipment
- 04 Accumulated depreciation—structures on land not owned

130. Permanent investments.

131. Affiliate investments.

(a) This account shall reflect the cost of carrier investments in bonds, notes, capital stock, and securities of whatever kind issued or assumed by affiliated companies; also, amounts of advances or loans to affiliated companies which will not be settled currently.

(b) This account shall be subdivided as follows:

- 01 Common stocks
- 02 Preferred stocks

- 03 Bonds receivable
- 04 Notes receivable
- 05 Other investments
- 06 Advances receivable
- 07 Adjustments

NOTE: Securities of affiliates held in special funds shall be excluded from this account. (See account 144—Special Funds).

(c) Secondary account 07 shall reflect provision for permanent impairment in the values of these investments and advances created by charges to account 731—miscellaneous expenses.

132. Other investments.

(a) This account shall include the cost of carrier investments in bonds, notes, capital stock, and other securities issued by non-affiliated companies which do not qualify as short-term investments; also, loans, advances and receivables from non-affiliates not subject to settlement within one year.

(b) This account shall be subdivided as follows:

- 01 Other common stock
- 02 Other preferred stock
- 03 Other bonds receivable
- 04 Other notes receivable
- 05 Other investments
- 06 Other advances receivable
- 07 Other adjustments

NOTE: Securities of non-affiliates held in special funds shall be excluded from this account. (See account 144—Special Funds)

(c) Secondary account number 07 shall reflect provision for permanent impairment of these investments and advances created by charges to account 731—miscellaneous expenses.

140. Other assets.

141. Intangible property.

(a) This account shall be subdivided as follows:

- 01 Organization
- 02 Franchises
- 03 Patents
- 04 Other intangible property

(b) 01 *Organization.* This account shall include fees paid to a state or other governmental body for the privilege of incorporating and conducting a business, and expenditures incurred in organizing the corporation.

(c) 02 *Franchises.* (1) This account shall include amounts actually paid by the carrier to the Federal Government, a state, a political subdivision thereof, or to other governmental authority to obtain franchises, permits, consents, or certificates, running in perpetuity or for a specified term of more than one year.

(2) This account shall be charged with payments for legal services, witness fees and expenses, advertising and other attending costs only if the carrier's application for the franchises, permits, etc., is granted. Where the application is denied, all such expenditures shall be charged to account 731—08—sundry expenses.

(3) If an intangible is acquired by assignment the purchase price and other expenditures involved shall be charged to this account.

(4) This account shall reflect separately amounts applicable to (1) perpetual franchises, and (2) fixed-term franchises.

(d) 03 *Patents.* This account shall include the cost of patent rights, licenses and privileges necessary or valuable to the economical conduct of the express business or noncarrier operations, and which have a life of more than one year from the date they become effective.

(e) 04 *Other intangible property.* This account shall include the book cost of any intangible not provided for in another account.

142. Accumulated amortization on intangible property.

(a) This account shall be credited with amounts charged to account 731—04—intangible write-offs, to amortize the costs of acquiring leaseholds, franchises, consents, privileges, and patents, over the respective life terms of such intangibles. This account shall also be credited with amounts charged to account 731—08—sundry expenses, when the carrier elects to amortize the cost of acquiring similar intangibles which do not have fixed life terms.

(b) This account shall be subdivided by secondary account numbers to show the amount of each separate account set out below and the nature of and amounts of debits and credits thereto:

- 02 Accumulated amortization on franchises
- 03 Accumulated amortization on patents
- 04 Accumulated amortization on other intangible property

143. Deferred charges.

(a) This account shall be subdivided as follows:

- 01 Debt discount
- 02 Other deferred charges
- 03 Capital stock discount
- 04 Capital stock commission
- 05 Interest

(b) 01 *Debt discount.* This account shall include the total of the net debit balances representing the excess of the discount and expense incurred over the premium realized from the issuance of each class of the carrier's outstanding long-term debt securities. Separate data shall be maintained with respect to each issue of securities.

(c) 02 *Other deferred charges.* This account shall include debit items not provided for elsewhere for which the proper final disposition cannot be effected until additional information is received. Among additional items includable in this account are deposits made on equipment purchased for future delivery; escrow payments for options, etc.; pending final election and disposition; and expenditures for valuations, inventories, and appraisals made in connection with pending applications for purchase, sale or lease of franchises, permits, and other intangible or tangible property.

(d) 03 *Capital stock discount.* This account shall be debited for discount incurred in connection with an issuance of the carrier's capital stock pending write-off to account 254—capital surplus, pro-

vided there is a credit balance therein sufficient to absorb such write-off and in the event such credit balance is insufficient, the write-off is to be to account 255-08—other debits. (See balance sheet instruction 2-5(c)).

(e) 04 *Capital stock commission.* This account shall be charged for commission expenses incurred in connection with an issuance of the carrier's capital stock and shall be written-off as provided above for capital stock discount.

(f) 05 *Interest.* This account shall consist of any interest charge on long-term leases subject to capitalization. Also any interest charge exceeding the current period by term of agreement. This account will contain the long-term portion while the short-term (within one year) will be shown in current assets.

144. *Special funds.*

(a) This account shall include cash, securities or other assets in the hands of trustees or otherwise restricted, that have been set aside in distinct funds for certain specific purposes.

(b) This account shall be subdivided by secondary account numbers as follows:

01 *Sinking funds.* Sinking funds maintained under mortgage provisions.

02 *Depreciation funds.* Depreciation funds for the replacement of retired property.

03 *Miscellaneous special funds.* Employee benefit funds for the payment of pensions and hospitalization; insurance funds for the payment of losses not covered by insurance, and similar miscellaneous special funds. Securities of the carrier's issue placed in special funds shall be recorded at their par or stated value.

04 *Claim insurance deposits held in escrow.* Cash deposits, to support potential claim liability, which are required by the insurance carrier underwriting the claim payments.

200. *Liabilities.*

210. *Current liabilities.*

211. *Current long-term debt.*

This account shall include the total amount of bonds, equipment obligations, and other long-term obligations, including obligations maturing serially or payable in installments, which are due and payable within one year, and for which arrangements for refunding have not been made or for which no sinking funds have been provided. This account shall be subdivided as follows to show the different classes of debt so maturing.

- 01 Current equipment obligations
- 02 Current bonds
- 03 Current other long-term debt

212. *Dividends declared.*

(a) This account shall include the amount of dividends declared but not paid on any issue of capital stock of the carrier. Dividends (except those payable to affiliated companies) shall be credited to this account as of the day upon which they became a liability of the carrier.

(b) A separate subdivision shall be maintained in this account for dividends on each class and series of stock.

213. *Notes payable.*

(a) This account shall include the face value of outstanding obligations to other than affiliates in the form of notes, drafts, acceptances, and similar evidences of indebtedness which by their terms do not run for a period in excess of one year from date of issue, including the face value of notes receivable discounted or sold without releasing the carrier from liability as endorser thereon.

(b) This account shall be subdivided as follows to show separately, obligations maturing upon demand and obligations bearing a specified date of maturity:

- 01 Demand notes payable
- 02 Fixed term notes payable

214. *Accounts payable.*

(a) This account shall include amounts payable to others (except affiliated companies) that are subject to current settlement, for materials, supplies and services received, including rents payable for the use of revenue vehicles and other property; other matured rents, amounts due to public authorities, amounts of payable judgments, current accounts with officers and employees, the carrier's liability for transportation taxes and sales taxes collected from customers.

(b) This account shall also include the balances due other carriers (except affiliated companies) in favor of each of which there is a net credit balance representing interline accounts.

(c) This account shall be subdivided as follows:

- 01 Vendor payables
- 02 Interline payables
- 03 Employee payables
- 04 Unremitted paid beyond
- 05 Other payables
- 06 Accrued interline payable
- 07 Garnishments payable

215. *Income taxes accrued.*

(a) This account shall be credited each month with the amount of Federal, State and local income taxes accrued in the current period. The balance in the Federal income tax account at the close of the year shall represent the estimated tax payable after deduction of the amount of utilizable tax credits computed in accordance with the Internal Revenue Code.

(b) The records supporting entries to this account shall be kept to show the estimated tax liability for the current year separately from claimed tax overpayments or underpayments in dispute, or other items and adjustments applicable to prior years.

(c) This account shall be subdivided as follows:

- 01 Federal income taxes accrued
- 02 State income taxes accrued
- 03 Local income taxes accrued

216. *Other taxes accrued and withheld.*

(a) This account shall be credited each month with the amount of taxes other than income, accrued during the month, with concurrent debits to the ap-

propriate accounts for tax charges. This account shall also include deductions from employees' wages for railroad retirement tax and Federal, state and local income taxes. Credits to this account that are based upon estimates shall be adjusted from time to time during the year so that the tax expense accounts may show as nearly as possible, the taxes applicable to each period. Payments of taxes for which accruals have been made shall be debited to this account. Amounts representing prepayment of taxes applicable to subsequent periods shall be included in account 117-01—prepaid taxes and licenses.

(b) The records supporting entries to this account shall be kept so that the carrier can furnish information as to the basis for each tax accrual, the kinds of taxes paid, the amount of each and the accounts charged with the tax accruals.

(c) This account shall be subdivided as follows:

- 01 Real estate taxes accrued
- 02 Personal property taxes accrued
- 03 Railroad retirement taxes accrued
- 04 Railroad unemployment taxes accrued
- 05 Other taxes accrued
- 06 Federal withholding taxes
- 07 State withholding taxes
- 08 City withholding taxes
- 10 Air excise taxes accrued

217. *Accrued expenses.*

This account as subdivided will reflect current liability for:

- 01 Wages payable
- 02 Accrued interest
- 03 Accrued rents
- 04 Accrued insurance
- 07 Other accrued expenses
- 08 Accrued vacation—nonunion—current year
- 09 Accrued vacation—union—current year
- 10 Accrued vacation—nonunion—next year
- 11 Accrued vacation—union—next year
- 12 Group insurance contribution
- 13 Accrued line haul expense

and shall be credited each month for the amounts accrued or applicable during that month.

218. *Affiliate payables.*

(a) This account shall include amounts payable currently to affiliated companies, such as amounts due for services and materials received, rentals, traffic balances, matured interest, dividends and other items in open account. Also, the face value of loans and notes which will fall due and become payable to affiliates within one year.

(b) This account shall be subdivided as follows:

- 01 Affiliate loans payable
- 02 Affiliate accounts payable
- 03 Affiliate interest payable
- 04 Affiliate dividends payable

(c) For balance sheet presentation, the amount of payables to and receivables from each individual affiliated company shall be shown as a net payable or net receivable, as appropriate.

219. Other current liabilities.

(a) This account shall include all current liabilities not includible in other current liability accounts covering unclaimed wages, savings bond deductions, unremitted C.O.D.'s and other miscellaneous current liabilities.

(b) This account shall be subdivided by secondary account numbers, as follows, to show the nature of each liability:

- 01 Unclaimed wages
- 02 Savings bond deductions
- 03 Unremitted C.O.D.'s
- 04 Miscellaneous other current liabilities
- 05 Union dues deductions

220. Long-term obligations.**221. Equipment obligations.**

(a) This account shall include the unpaid balance of unmatured equipment notes, chattel mortgages, and conditional sales contracts executed by the carrier to finance the purchase of motor vehicles and other equipment; also, long-term leases capitalized in conformity with balance sheet account instruction 4-2 and the unpaid balance of similar equipment obligations executed or issued by others for which the carrier has assumed the obligation to pay and payable more than one year from the date of the balance sheet.

(b) A separate subdivision shall be maintained for each class of equipment obligation and no issue shall be considered to be of the same class unless identical as to the liability and nature of property covered. When reacquired equipment obligations are retired, this account shall be cleared of amounts included herein.

(c) The liability for equipment obligations maturing within one year from the close of each month is includible in account 211-current long-term debt.

222. Bonds.

(a) This account shall reflect the unpaid balance of unmatured bonds issued by the carrier and maturing more than one year from the close of the accounting period; also, the unpaid balance of unmatured bonds issued by others for which the carrier has assumed the obligation to pay. See account 211-current long-term debt.

(b) A separate subdivision shall be maintained for each class and series of bonds, and no issue shall be considered to be of the same class unless identical as to liability and nature of property covered. When reacquired bonds are retired, this account shall be cleared of amounts included herein.

223. Other long-term obligations.

(a) This account shall include all other long-term liabilities and obligations that become payable after one year from the close of the accounting period and not provided for elsewhere herein. These obligations include, but are not limited to, real estate mortgages, assessments for public improvements; and serial and other notes payable (except equipment notes). See account 211-current long-term debt.

(a) A separate subdivision shall be maintained for each class of obligation included herein, and records shall be maintained to show separately for each issue, details as to date of issue, date of maturity, interest dates and rates, and the security, if any, pledged. When reacquired other long-term obligations are retired, this account shall be cleared of amounts included herein.

230. Advances payable.**231. Affiliate advances payable.**

(a) This account shall include amounts payable to affiliated companies for notes, loans, and advances not subject to current settlement, including interest accrued on such debt when such interest is not subject to current settlement.

(b) This account shall be subdivided by secondary account numbers as follows:

- 01 Affiliate notes payable
- 02 Affiliate accounts payable
- 03 Affiliate interest payable

232. Other advances payable.

(a) This account shall include the amount of unsecured advances and other unsecured obligations payable to individuals and companies, other than affiliated companies, whether evidenced by notes or open accounts, which are not subject to current settlement, including interest accrued thereon when such interest is not subject to current settlement. This account shall also include obligations that are payable on demand but which, by mutual agreement, will not be presented for payment within one year from date of issue.

(b) This account shall be subdivided by secondary account numbers as follows:

- 01 Other notes payable
- 02 Other accounts payable
- 03 Other interest payable

(c) The liability for advances payable to individuals and companies other than affiliated companies, maturing within one year from the close of the accounting period is includible in account 211-current long-term debt.

240. Other liabilities.**241. Accumulated provision for self-insurance.**

(a) The accounts, as subdivided below, shall be credited with amounts that have been included in charges to the secondary operating expense account 12-insurance, within the primary operating expense accounts 552-line haul transportation, 523-pickup and delivery transportation, 524-air transportation, 525-railroad transportation, 531-terminal management, 573-employee benefits, 582-pickup and delivery transportation exclusive air and 584-terminal management exclusive air, to provide accumulated provisions for settlement of claims that are not covered, or partially covered, by commercial insurance:

- 01 General insurance
- 02 Public liability
- 03 Workmen's compensation
- 04 Surface cargo loss

- 05 Air cargo loss
- 06 Other

(b) The account shall be maintained to show separately the accretions to and charges against each account listed above.

242. Deferred credits.

(a) This account shall include credit items not provided for elsewhere for which the proper final disposition cannot be effected until services are performed or additional information is received.

(b) This account also shall include the total of the net credit balances representing the excess of the premium realized over the discount and expense incurred from the issuance of each class of the carrier's outstanding long-term debt securities.

(c) A separate subdivision shall be maintained for each issue of securities.

(d) This account shall also include amounts representing investment tax credit being accounted for under the deferral method. The account shall be maintained in such manner as to show separately the unamortized balance of the deferred credit for each year such credits were utilized as a reduction of tax liability. (See general instruction 1-18.)

250. Shareholders' equity.**251. Preferred stock.**

(a) This account shall include the par value of par value stock, stated value of no-par value stock and the amount received for no-par value stock without stated value, which have been issued to bona fide purchasers and have not been reacquired and cancelled; also, shares of stock nominally issued, and reacquired shares which have not been cancelled. When other than cash is received for no-par value stock without stated value, the fair market value of the consideration shall be entered in this account.

(b) This account shall be divided so as to show separately each class of stock issued, subdivided between issued and actually outstanding, nominally issued and nominally outstanding, and reacquired.

(c) When reacquired stock is retired, this account should be cleared of amounts included herein.

252. Common stock.

(a) This account, as subdivided below, shall include the par value of par value stock, stated value of no-par value stock and the amount received for no-par value stock without stated value, which have been issued to bona fide purchasers and have not been reacquired and cancelled; also, shares of stock nominally issued, and reacquired shares which have not been cancelled. When other than cash is received for no-par value stock without stated value, the fair market value of the consideration shall be entered in this account.

(b) This account shall be divided so as to show separately each class of stock issued, subdivided between issued and actually outstanding, nominally issued and nominally outstanding, and reacquired.

(c) When reacquired stock is retired, this account shall be cleared of amounts included herein.

253. Capital stock subscribed.

This account shall include the amount of legally enforceable subscriptions to capital stock of the carrier. It shall be credited with the par or stated value, or with the subscription price in the case of stock without par or stated value, exclusive of accrued dividends, if any. Concurrently, a debit shall be made to account 114-06—subscriptions receivable for the agreed purchase price and any discount or premium debited or credited to the appropriate discount or premium account. When properly executed stock certificates have been issued representing the stocks subscribed, this account shall be debited and the appropriate capital stock account credited with the par or stated value of the stock (or the consideration received in the case of no-par stock without a stated value).

254. Capital surplus.

(a) This account shall be subdivided as follows:

- 01 Capital stock premium
- 02 Other capital surplus

(b) **01 Capital stock premium.** (1) This account shall include the excess of the actual cash value of the consideration received by the carrier (at the time of original sale of par value stock and no par stock with a stated value) over the par or stated value of the stock issued, plus, accrued dividends, if any, also subsequent assessments against stockholders representing payments required in excess of par or stated value.

(2) In no event shall dividends be charged against this account without prior authorization of the Commission.

(3) The records supporting this account shall be maintained to show premiums and assessments on each class of stock, also proportions of the amounts included therein when shares of capital stock are reacquired.

(c) **02 Other capital surplus.** (1) This account shall include gains from purchase and resale of reacquired stock; donations of capital by stockholders and others; the excess of retained earnings capitalized over the par or stated value of capital stock issued; and adjustments in capital resulting from reorganization or recapitalization.

(2) This account shall be subdivided to show each source of paid-in capital.

(3) This account shall be charged with net debits resulting from the reacquisition or resale of the carrier's capital stock to the extent of, but not exceeding the credit balance therein, with respect to the particular class of stock involved; the excess, if any, shall be charged to account 255-08—other debits.

(4) Upon approval of the Commission, this account may be charged with (1) amounts credited to the capital stock account incident to the issuance of stock dividends, or to increase the liability for no par stock without stated value, or (2) amounts transferred to retained income

either directly by credits thereto of gains on transactions in the carrier's own capital stock, or indirectly by charges against this account for losses, write-downs, charge-offs, or the distribution of dividends.

255. Retained income.

(a) This account shall be subdivided as follows:

- 01 Appropriated retained income
- 02 Unappropriated retained income
- 03 Current net income
- 04 Other credits
- 05 Current net loss
- 06 Dividend appropriation
- 07 Other appropriations
- 08 Other debits

(b) **01 Appropriated retained income.** This account shall include retained income which has been appropriated and set aside under contractual or legal requirements and for other specific purposes, such as retirement of indebtedness, redemption of capital stock, certain employee benefits, replacements of plant and for various contingencies. Appropriations shall be released when their respective purposes have been served. The records supporting this account shall be maintained to show each specific purpose for which retained income is appropriated.

(c) **02 Unappropriated retained income.** (1) This account shall include retained income which has not been appropriated or set aside for specific purposes. There shall be no transfers of amounts between this account and account 254-02—other capital surplus, unless, so authorized by the Commission.

(2) The balances of accounts 255-03 to 255-08, inclusive, shall be closed to this account at the end of each year.

(d) **03 Current net income.** If the income statement for the current year reflects a net credit balance, it shall be brought forward to this account.

(e) **04 Other credits.** (1) This account shall include other credit adjustments net of assigned income taxes, not provided for elsewhere in this system, but only after such inclusion has been authorized by the Commission.

(2) The records supporting entries in this account shall be so maintained that an analysis thereof may be readily made available.

(f) **05 Current net loss.** If the income statement for the current year reflects a net debit balance, it shall be brought forward to this account.

(g) **06 Dividend appropriations.** This account shall include the amounts of dividends declared during the year on all classes of outstanding capital stock. Stock reacquired and owned by the carrier (except shares held in special funds not under control of the carrier), shall not be subject to dividends. Subsidiary records shall be kept to show separately, the dividends declared on each type and class of capital stock. When dividends are paid in other than money, complete detail of each transaction shall be maintained.

(h) **07 Other appropriations.** This account shall include appropriations

from retained income for sinking funds and other reserves, and allotments of surplus or transfers of definite amounts from retained income to reserves under the terms of mortgages, deeds of trust, or contracts, and other appropriations of retained income set aside in special reserve accounts.

(i) **08 Other debits.** (1) This account shall include (1) losses on resale of reacquired capital stock, (2) charges which reduce or write-off discount on capital stock issued by the company but only to the extent that such charges exceed credit balances in other capital surplus for shares reacquired, and (3) in pooling of equity interests situations, the excess of the value of the surviving company's capital stock over the aggregate total of the capital stock of the separate companies before such merger or consolidation, but only to the extent that capital surplus is not available for such purposes.

(2) This account shall include other debit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

(3) The records supporting entries in this account shall be so maintained that an analysis thereof may be readily made available.

299. Form of balance sheet.

	100-ASSETS	
	110-CURRENT ASSETS	
111	Cash	\$
112	Temporary Investments .....	.....
113	Notes Receivable .....	.....
114	Accounts Receivable .....	.....
115	Allowance for Uncollectible Re- ceivables .....	.....
116	Material and Supplies .....	.....
117	Prepayments .....	.....
118	Affiliate Receivables .....	.....
119	Other Current Assets .....	.....
	Total Current Assets	\$
	120-TANGIBLE PROPERTY	
121	Operating Property	\$
	Less: 122-Accumulated Depreciation .....	.....
123	Nonoperating Property .....	.....
	Less: 124-Accumulated Depreciation .....	.....
	Total Tangible Property	\$
	130 PERMANENT INVESTMENTS	
131	Affiliate Investments	\$
132	Other Investments .....	.....
	Total Permanent Invest- ments	\$
	140-OTHER ASSETS	
141	Intangible Property	\$
	Less: Accumulated Amortization .....	.....
143	Deferred Charges .....	.....
144	Special Funds .....	.....
	Total Other Assets	\$
	Total Assets	\$
	Contingent Assets (not included above)	\$
	200-LIABILITIES	
	210-CURRENT LIABILITIES	
211	Current Long-Term Debt	\$
212	Dividends Declared .....	.....
213	Notes Payable .....	.....
214	Accounts Payable .....	.....
215	Income Taxes Accrued .....	.....

216	Other Taxes Accrued and Withheld	-----	
217	Accrued Expenses	-----	
218	Affiliate Payables	-----	
219	Other Current Liabilities	-----	
	Total Current Liabilities	\$-----	
220-LONG-TERM OBLIGATIONS			
221	Equipment Obligations	\$-----	
222	Bonds	-----	
223	Other Long-Term Obligations	-----	
	Total Long-Term Obligations	\$-----	
230-ADVANCES PAYABLE			
231	Affiliate Advances Payable	\$-----	
232	Other Advances Payable	-----	
	Total Advances Payable	\$-----	
240-OTHER LIABILITIES			
241	Accumulated Provision for Self-Insurance	\$-----	
242	Deferred Credits	-----	
	Total Other Liabilities	\$-----	
250-SHAREHOLDERS' EQUITY			
251	Preferred Stock	\$-----	
252	Common Stock	-----	
253	Capital Stock Subscribed	-----	
254	Capital Surplus	-----	
255	Retained Income	-----	
	Total Shareholders' Equity	\$-----	
	Total Liabilities	\$-----	
	Contingent Liabilities (not included above)	\$-----	

INCOME ACCOUNTS

300. Operating revenues.

310. Domestic express.

311. Surface

(a) This account shall include revenues (including value charges and surcharges) derived from the transportation of surface express traffic at lawful surface tariff rates to and from points within the United States. Such revenue shall include arbitraries and single line or zone rates for commodities, baggage, mail and newspapers.

(b) There shall also be separately included in this account revenues earned for furnishing refrigeration or heat to preserve perishable shipments while in transit, for feeding and care of birds and animals, for armed guards provided to protect shipments of money and valuables and for similar services made available to the shipping public at specific tariff charges.

(c) Separations of revenue shall be maintained by use of the following secondary revenue accounts:

- 01 Prepaid forwarded
- 02 Collect received

(d) This account shall be charged with overcharges refunded to customers, caused by use of erroneous rates, weights, classifications or computations; also, revenue refunds on loss and damage shipments.

312. Air.

(a) This account shall include revenues (including value charges and surcharges) derived from the transportation of air express traffic at lawful air express tariff rates to and from points within the United States.

(b) There shall also be included in this account revenues earned of armed

guards provided to protect shipments of money and valuables and for similar services made available to the shipping public at specific tariff charges.

(c) Separations of revenue shall be maintained by use of the following secondary revenue accounts:

- 01 Prepaid forwarded
- 02 Collect received
- 03 Air surcharge

(d) This account shall be charged with overcharges refunded to customers, caused by use of erroneous rates, weights, classifications or computations; also, revenue refunds on loss and damage shipments.

320 Foreign express.

321 Surface.

(a) This account shall include revenues derived from the transportation by railroad, motor vehicles and vessels of cargo shipments between points in the United States and points in foreign countries, except Canada.

(b) Separations of revenue shall be maintained for each of the following secondary revenue accounts:

- 01 Prepaid forwarded
- 02 Collect received

322 Air.

(a) This account shall include the revenues derived from the transportation by air of cargo shipments between points in the United States and points in foreign countries, except Canada.

(b) Separations of revenue shall be maintained for each of the following secondary revenue accounts:

- 01 Prepaid forwarded
- 02 Collect received

330 Interline express.

331 Surface.

(a) This account shall include the carrier's proportion of transportation revenue derived from surface transportation services provided in the United States on shipments having Canadian origins or destinations received from or turned over to Canadian express companies.

(b) Separations of revenue shall be maintained for each of the following secondary revenue accounts:

- 01 Prepaid northbound
- 02 Prepaid southbound
- 03 Collect northbound
- 04 Collect southbound

332. Air.

(a) This account shall include the carrier's proportion of transportation revenue derived from air transportation services provided in the United States on shipments having Canadian origins or destinations received from or turned over to Canadian carriers.

(b) Separations of revenue shall be maintained for each of the following secondary revenue accounts:

- 01 Prepaid northbound
- 02 Prepaid southbound
- 03 Collect northbound
- 04 Collect southbound

340. Other express.

341. Miscellaneous express.

(a) This account shall include miscellaneous express transportation revenue not specifically provided for in other accounts, such as sold transportation.

(b) Separations of revenue shall be maintained by use of the following secondary revenue accounts:

- 01 Sold transportation (1)
- 02 Sundry express

(1) (Includes furnishing a vehicle with a driver to another carrier, transporting freight for another carrier and moving loaded or empty trailers for another carrier).

350 Other revenue.

351 Advertising revenue.

(a) This account shall include revenues derived from advertising matter displayed on vehicles and structures concerning products or services of other companies.

(b) Separations of revenue shall be maintained for:

- 01 Vehicle advertising revenue
- 02 Structure advertising revenue

352 Customs brokerage fees.

This account shall include revenues earned by the carrier for paying duties, making declarations, executing forms and papers and performing other functions on behalf of customers, necessary to obtain clearance through customs of export or import shipments.

353 C.O.D. service fees.

This account shall include revenues earned for services performed incident to the collection of "cash on delivery" express shipments and the remittance of such funds to shippers.

354 Storage fees.

This account shall include revenues earned from the storage of express shipments or other freight for shippers and others.

355 Miscellaneous revenue.

This account shall include revenues not provided for elsewhere and should be separately recorded in secondary revenue accounts specifically provided for below:

- 01 Order and commissions
- 02 Payroll deduction commissions
- 03 Freight collection commissions
- 04 Garnishment fees
- 05 Vending machine revenue
- 06 Telephone revenue
- 07 Newsstand revenue
- 08 Restaurant income
- 09 Material and supplies sales
- 10 Shop work sales
- 11 Vehicle parking revenue
- 12 Snow plow work revenue
- 13 Foreign commissions
- 14 Sundry revenue

510 Equipment maintenance.

511 Maintenance management.

This account shall be charged with the salaries and other expenses incurred

by or for officers, managers, supervisors, and their clerical staffs, whose predominant duties and responsibilities relate to the administration and supervision of the equipment maintenance department. This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- Real estate and personal property taxes
- 05 Utilities
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 12 Insurance
- Insurance applicable to structures and furniture and equipment of the maintenance department
- 13 Depreciation
- Depreciation of structures, furniture and office equipment used by the maintenance department
- Depreciation of shop and garage equipment except service cars
- 17 Equipment rentals
- 20 Real property rentals
- 26 Gain or loss on sale of assets

512 Line haul maintenance.

This account shall include all expenses, payroll and other, incurred in repairing and servicing line haul vehicles. This account shall also be charged with the cost of replacing original equipment included in the book cost of the line haul vehicles, such as fire extinguishers, jacks, lamps, tire chains, and tires and tubes. Joint expenses or those expenses that cannot readily be identified between line haul, pickup and delivery and service car maintenance are to be charged to this account and prorated to 513 and 514 using basis developed from statistical reports through expense account 91-maintenance transfers.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals
- 21 Tires and tubes

513 Pickup and delivery maintenance.

This account includes all expenses, payroll and other incurred in repairing and servicing pickup and delivery vehicles. This does not include vehicles assigned to exclusive air primary account 581. This account shall also be charged with the cost of replacing original equipment included in the book cost of pickup and delivery vehicles, such as fire extinguishers, jacks, lamps, tire chains and tires and tubes. Joint expenses or those maintenance expenses not readily identifiable will be charged to this account by allocations from primary account 512 through expense account 91-maintenance transfers.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals
- 21 Tires and tubes

514 Service cars.

This account shall be charged with the cost of operating and maintaining service vehicles (tow trucks, wreckers, automobiles, etc.) used in connection with the carrier's maintenance and repair operations, including drivers' or operators' wages, gasoline, oil, tires, tubes, registration fees and vehicle licenses; also expense incurred in the operation of platform equipment such as depot tractors, hydraulic lifts, scooters and mobile terminal equipment. Joint expenses or those maintenance expenses not readily identifiable will be charged to this account by allocations from primary account 512 through expense account 91-Maintenance transfers.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- Vehicle licenses, inspection and registration fees for automobiles, service cars and wreckers; also bridge, ferry and tunnel tolls incurred in the operation of service cars and wreckers.
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 13 Depreciation
- Depreciation of automobiles, wreckers, sand and salt cars, tow cars and other vehicle service equipment
- 17 Equipment rentals
- 21 Tires and tubes
- 22 Motor fuel and oil
- 26 Gain or loss on sale of assets

515 Railroad car maintenance.

This account shall include all expenses, payroll and other, incurred in repairing and servicing railroad cars. This account shall also be charged with the cost of replacing original equipment included in the book cost of railroad cars, such as fire extinguishers, supplies, jacks, lamps, pads, poles, ropes, stakes and tarpaulins.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 07 Services purchased
- 08 Unclassified
- 09 Traveling

520 Transportation.

522 Line haul transportation.

This account shall include payroll and all other expenses incurred in the operation of line haul service; also, payments to water carriers and third party motor carriers in connection with intercity line haul surface transportation.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- This secondary account shall include:
 - Bridge, ferry, highway and tunnel tolls
 - Certificate of title fees
 - Gross weight taxes
 - License plate fees
 - Mileage taxes
 - Permits for overload and oversize
 - Registration fees
 - Ton-mile taxes
 - Vehicle identification plates
 - Vehicle qualification fees
 - Port of entry fees
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 12 Insurance

Net cost (that is, amounts of premiums less the amounts of dividends and refunds) of commercial insurance to protect the carrier against: (1) liability for deaths and/or injuries to persons (other than carrier's employees), and damages to the property of others (except property entrusted to the carrier for transportation or storage), resulting from the operation of revenue vehicles and railroad cars and (2) loss from fire, theft, or collision damage to owned or leased vehicles.

Also, amounts sufficient to meet the probable liability under the classes of risks set out above not covered by commercial insurance.

- 13 Depreciation
- Depreciation of revenue equipment, except railroad cars, included in account 12103-Operating Property-Revenue Equipment, used in line haul transportation service.
- 17 Equipment rentals

Amounts payable to others for furnishing line haul vehicles to the carrier for its exclusive use, and under its control, in intercity service where payment does not include drivers' wages.

Credits for rents receivable by the carrier for owned or leased line haul vehicles which are furnished to others without the service of drivers.

Credits for rents receivable by the carrier for owned or leased line haul vehicles furnished to other motor carriers under an arrangement whereby both vehicle and driver are furnished by the carrier but the wages of the drivers are paid separately by the hiring carrier and included on its payroll.

- 18 Purchased transportation
- Intercity transportation of individual shipments and partloads, billed by the carrier, in the vehicles of another motor carrier when the hauling carrier retains control of the vehicle and driver.

Payments to railroads, water carriers and other motor carriers for the intercity transportation of the carrier's loaded and empty line haul vehicles.

The amounts included in this account shall be segregated as follows: (1) Payments to railroads and water carriers and (2) payments to motor carriers.

- 22 Motor fuel and oil
- Cost thereof applicable to this expense account will be based on consumption statistics.
- 25 Surface substitute service
- 26 Gain or loss on sale of assets.

523 Pickup and delivery transportation.

This account shall include payroll and all other expenses of supervisors, clerical employees, drivers and others whose

predominant duties and responsibilities are concerned with the performance of pickup and delivery service, "shuttle trips" and "peddle trips." It also includes the incidental loading, unloading and checking of vehicles when performed by employees whose predominant duties are the driving of vehicles. This does not include those vehicles and drivers assigned to an exclusive air primary account 582-pickup and delivery transportation exclusive air.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
This secondary account shall include:
Bridge, ferry and tunnel tolls
Certificate of title fees
Gross weight taxes
License plate fees
Mileage taxes
Permits for overload and oversize
Port of entry fees
Registration fees
Ton-mile taxes
Vehicle identification plates
Vehicle qualification fees
- 08 Unclassified
- 09 Traveling
- 12 Insurance
Net cost (that is, amounts of premiums less the amounts of dividends and refunds) of commercial insurance to protect the carrier against: (1) liability for deaths and/or injuries to persons (other than carrier's employees), and damages to the property of others (except property entrusted to the carrier for transportation or storage), resulting from the operation of revenue vehicles and railroad cars; (2) liability for claims resulting from loss and damage to, or delay of, property entrusted to it for transportation or storage and (3) loss from fire, theft or collision damage to owned or leased vehicles.
Also, amounts sufficient to meet the probable liability under the classes of risks set out above not covered by commercial insurance.
- 13 Depreciation
Depreciation of revenue equipment, except railroad cars, included in account 12103-Operating Property-Revenue Equipment, used in surface pickup and delivery service.
- 17 Equipment rentals
Amounts payable to others for furnishing pickup and delivery vehicles to the carrier for its exclusive use, and under its control, in pickup and delivery and other local operations, including air service, when the payment does not include drivers' wages.
Credits for rents receivable by the carrier for owned or leased pickup and delivery vehicles furnished to others without the services of drivers.
Credits for rents receivable by the carrier for owned or leased pickup and delivery vehicles furnished to other motor carriers under an arrangement whereby both vehicle and driver are furnished by the carrier but the wages of the driver are paid separately by the hiring carrier and included on its payroll.
- 18 Purchased transportation
Payments to others for picking up and delivering the carrier's intercity freight and performing its local cartage serv-

ices, when the vehicles so employed are not used exclusively in the carrier's service and are not under its control.

Allowances to shippers and consignees for picking up and delivering intercity surface shipments.

- 22 Motor fuel and oil
Cost thereof applicable to this expense account will be distributed based on consumption statistics.
- 26 Gain or loss on sale of assets

524 Air transportation.

This account shall be charged directly with cargo loss and damage incurred in air transportation, payments to air lines for line haul services and air excise tax in connection with line haul payments to airlines.

This primary account shall include the following secondary operation expense accounts:

- 04 Taxes and licenses
This secondary account shall only include: Air excise tax
- 12 Insurance
Liability for claims resulting from loss and damage to, or delay of, property entrusted to it for transportation or storage.
- 18 Purchased transportation
Payments to airlines for providing intercity transportation to air express shipments.

525 Railroad transportation.

This account shall include payroll and all other expenses incurred in connection with the supervision and direction of the operation of carrier owned or leased railroad cars including amounts paid to railroads for "trailers on flat cars" line haul service.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Car line tax
- 07 Services purchased
Payments to railroads for the movement of carrier's empty railroad cars.
- 08 Unclassified
- 09 Traveling
- 12 Insurance
Net cost (that is, amounts of premiums less the amounts of dividends and refunds) of commercial insurance to protect the carrier against: (1) liability for deaths and/or injuries to persons (other than carrier's employees) and damages to the property of others (except property entrusted to the carrier for transportation or storage), resulting from the operation of revenue vehicles; and (2) loss from fire, theft, or collision damage to owned or leased vehicles.
Also, amounts sufficient to meet the probable liability under the classes of risks set out above not covered by commercial insurance.
- 13 Depreciation
Depreciation of railroad car equipment.
- 17 Equipment rentals
Amounts payable to others for furnishing railroad cars to the carrier for its exclusive use, and under its control, in intercity service where payment does not include trainmen's wages.
Credits for rents receivable by the carrier for owned or leased railroad cars furnished to a railroad under an ar-

angement whereby both railroad car and trainmen are furnished by the carrier but the wages of the trainmen are paid separately by the railroad and included on its payroll. Rents from carrier owned cars shall be separately stated in this account.

- 18 Purchased transportation
Amounts payable to others for furnishing railroad cars with the services of trainmen for the exclusive use and under the control of the carrier in intercity service where the payment includes the wages of trainmen.
Intercity transportation of individual shipments and partloads, billed by the carrier, in the railroad cars of a railroad when the railroad retains control of the railroad car and trainmen.
- 23 Demurrage and detention charges
Amounts payable to railroads for failure to promptly load or unload express traffic to and from railroad cars on the line of the railroad company.
- 26 Gain or loss on sale of assets

530 Terminal.

531 Terminal management.

This account shall include payroll and all other expenses incurred in the administration and management of the terminal department, including first line excepted supervision. This account shall not include any expenses incurred in connection with an exclusive air facility. These expenses will be charged to 584-terminal management exclusive air.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
Taxes based on the value of real estate and personal property.
- 05 Utilities
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications

This secondary account shall include: Telephone expenses, telegrams, rentals for other communication systems; teletype rentals when not part of M.I.S. system, etc.

- Net cost (that is, the amounts of premiums less the amounts of dividends or refunds), of commercial insurance to protect the carrier against loss from fire and other perils to structures and improvements.
Also, amounts sufficient to meet the probable liability for claims under the classes of risks set out above, that are not covered by commercial insurance.
- 13 Depreciation
Depreciation of terminal structures situated on owned and unowned land, including all appurtenant fixtures permanently attached thereto, and of improvements to owned land and other structures or constructions.
Depreciation of equipment used in loading, unloading, sorting, arranging, moving or other handling of cargo at the terminals.
Depreciation of leasehold property installed by the carrier.
Depreciation of automobiles and station wagons used by officers and employees of terminal department.
Depreciation of office furniture and equipment.
- 17 Equipment rentals

- 19 Commission agents
- 20 Real property rentals
- Rental payments for real estate used by the terminal department.
- 21 Tires and tubes
- 22 Motor fuel and oil
- 26 Gain or loss on sale of assets

This account shall include payroll and all other expenses of supervisory, clerical, platform, warehouse and station employees incurred in connection with the loading, unloading, assorting and other platform handling of express shipments at the carrier's terminals. It will not include any excepted supervisory personnel. This account will not include expenses incurred in connection with an exclusive air facility. These expenses will be charged to 583-cargo handling exclusive air.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

534 Property maintenance.

(a) This account shall include payroll and all other expenses incurred in the repair and maintenance of all terminal and office properties, except revenue equipment. Such property shall include but is not limited to the following:

- (1) Air conditioning and cooling systems
- (2) Conveyors
- (3) Docks
- (4) Elevators and escalators
- (5) Fixtures and equipment
- (6) Heat, light and power systems
- (7) Leasehold improvements

(b) The cost of construction and other work property chargeable to asset accounts shall be excluded from this account.

(c) This account will not be charged with expenses incurred in connection with an exclusive air facility. These expenses will be charged to 587-property maintenance exclusive air.

(d) This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

540 Operations.

541 Operations management.

This account shall include payroll and all other expenses incurred by or for central operations management personnel whose duties and responsibilities relate to the administration and supervision of the central operations department.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- Real estate and personal property taxes, licenses and registration fees.

- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 12 Insurance
- Insurance applicable to structures, automobiles and furniture and equipment.
- 13 Depreciation
- Depreciation of structures used by central operations department.
- Depreciation of office furniture and equipment at all offices of the central fleet operations management including the central fleet maintenance function, the central terminal operations function, and the central industrial engineering function.
- Depreciation of passenger automobiles and station wagons used by officers and employees of the central operations department.
- 17 Equipment rentals
- 20 Real property rentals
- Rental payments for real estate used by the operations department.
- 21 Tires and tubes
- 22 Motor fuel and oil
- 26 Gain or loss on sale of assets

542 Fleet maintenance.

This account shall include payroll and all other expenses incurred in the operation of the central fleet maintenance function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 14 Professional services
- Consultant fees for fleet maintenance services and/or surveys, development of automotive statistics, etc.
- 17 Equipment rentals

543 Transportation management.

This account shall include payroll and all other expenses incurred by or for supervisors, their assistants, clerical staffs and other personnel of the Transportation department engaged in supervising and directing line haul transportation functions and activities.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 17 Equipment rentals

544 Engineering and real estate.

This account shall include payroll and all other expenses incurred in the operation of the central engineering and real estate function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Travelling
- 14 Professional services
- 17 Equipment rentals
- 20 Real property rentals

550 Marketing.

552 Sales.

This account shall include payroll and all other expenses of employees engaged in the solicitation of domestic surface traffic.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- License and registration fees paid for automobiles and station wagons used by officers and employees of the marketing department.
- Personal property taxes applicable to furniture and equipment.
- 06 Supplies
- 07 Services purchased
- Commissions and fees paid to outside organizations for the solicitation of traffic with the exception of payments to commission agents.
- Fees paid to personnel agencies for the procurement of employees.
- Maintenance contracts for equipment used in the work applicable to this account.
- 08 Unclassified
- 09 Traveling
- 12 Insurance
- Insurance applicable to automobiles, station wagons and furniture and equipment.
- 13 Depreciation
- Depreciation of automobiles assigned to the sales and marketing functions.
- 17 Equipment rentals
- 20 Real property rentals
- 21 Tires and tubes
- 22 Motor fuel and oil
- 26 Gain or loss on sale of assets

553 Freight claims.

This account shall include payroll and all other expenses incurred in the operation of the freight claim and salvage function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

554 Surface advertising.

This account shall include payroll and all other expenses incurred in connection with advertising for the purpose of securing surface traffic such as, the preparation, printing and distribution of advertising matter and copy, commissions and fees paid others, and the cost of space in newspapers and periodicals.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 03 Advertising
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 14 Professional services
- 17 Equipment rentals

555 Air advertising.

This account shall include payroll and all other expenses incurred in connection with advertising for the purpose of securing air express traffic such as, the preparation, printing and distribution of advertising matter and copy, commissions and fees paid others, and the cost of space in newspapers and periodicals.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 03 Advertising
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 14 Professional services
- 17 Equipment rentals

556 Market research.

This account shall include payroll and all other expenses incurred by or for personnel engaged in the operation of the market research function in connection with domestic and foreign surface and air operations.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

557 Traffic.

This account shall include payroll and all other expenses incurred in the preparation, printing and distribution of tariffs and schedules.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- Outside agency fees for publishing the carrier's tariffs and schedules.
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 17 Equipment rentals

559 Foreign services management.

This account shall include payroll and all other expenses of supervisors and their clerical staffs incurred in the administration and management of foreign air express traffic, foreign freight forwarding services and customs brokerage services.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals
- 20 Real property rentals

560 Finance and administration.**561 Banking and corporate accounting.**

This account shall include payroll and all other expenses incurred by personnel

engaged in banking and corporate accounting.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 14 Professional services
- 17 Equipment rentals

562 Disbursements.

This account shall include payroll and all other expenses incurred by or for supervisory personnel and their clerical staff, engaged in operating and directing the payroll, accounts payable, and other disbursements functions.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 14 Professional services
- 17 Equipment rentals
- 20 Real property rentals

563 Budget and cost.

This account shall include payroll and all other expenses incurred by or for supervisory and clerical personnel responsible for budget and cost functions.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

564 Revenue, billing and collecting.

This account shall include payroll and all other expenses incurred by or for supervisory and clerical personnel engaged in the revenue function of accounting for surface, air and other transportation and accessorial revenues; and in billing customers. This account shall not include expenses incurred in connection with the Credit function. These expenses will be charged to 569-credit and collections.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- This secondary account shall include:
 - Accounts receivable billing by outside service bureaus.
 - Armored car service.
 - Fees paid to personnel agencies for the procurement of employees.
 - Maintenance contracts for equipment used in the work applicable to this account.

- 08 Unclassified
 - This secondary account shall include:
 - Bank service charges.
 - Cash differences of accounts receivable, cashiers, and drivers.
 - Writing off differences in bill controls.
 - Expenses not chargeable to other expense accounts.
- 09 Traveling
- 10 Communications
- 17 Equipment rentals
- 20 Real property rentals

565 Tax and insurance.

This account shall include payroll and all other expenses incurred by or for supervisory and clerical personnel engaged in the tax and insurance functions.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
 - This secondary account shall include:
 - Dues and subscriptions to tax and insurance services organizations and periodicals.
 - Insurance inspection service.
 - Notarial fees.
 - Payments to outside attorneys, investigators, and adjustors for services in connection with loss and damage cases.
 - Special costs incurred in procuring insurance, such as brokerage fees (not included in premiums).
- 08 Unclassified
- 09 Traveling
- 14 Professional services
 - Charges from outside professional agencies for insurance or tax consultants.
- 17 Equipment rentals

566 Internal auditing.

This account shall include payroll and all other expenses incurred by or for the supervisory and clerical personnel engaged in the internal auditing function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

567 Data processing.

This account shall include payroll and all other expenses incurred by or for supervisory and clerical personnel engaged in the data processing operations.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
- 14 Professional services
 - Charges from outside professional agencies for consultations, evaluations, and surveys in connection with data processing.
- 17 Equipment rentals

568 Systems and programming.

This account shall include payroll and all other expenses incurred by or for

supervisory and clerical personnel engaged in the systems and programming function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- This secondary account shall include:
 - Management information services.
 - Programming assistance by service bureaus.
 - Charges for consultations, evaluations and surveys, etc.
 - Maintenance contracts for equipment used in the work applicable to this account.
- 08 Unclassified
- 09 Traveling
- 14 Professional services
- 17 Equipment rentals

569 Credit and collections.

This account shall include payroll and all other expenses incurred by or for supervisory and clerical personnel engaged in the credit and collections function. This account shall not include any expenses incurred on behalf of the revenue billing function. These expenses shall be charged to 564—revenue billing.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- Credit and collection agency fees
- Credit bureau membership and report costs
- Collection attorney and agency fees (other than those applicable to accounts previously written off).
- Fees charged by banks for processing accounts receivable mail payments.
- 08 Unclassified
- Court costs for collecting accounts receivable
- Writing off differences in bill controls
- 09 Traveling
- 10 Communications
- 16 Uncollectible revenues
- 17 Equipment rentals

570 Personnel.

571 Personnel management.

This account shall include payroll and all other expenses incurred by or for personnel engaged in the administration of the personnel department.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 13 Depreciation
- Depreciation of office furniture and equipment of the personnel department
- 14 Professional services
- 17 Equipment rentals
- 20 Real property rentals
- 26 Gain or loss on sale of assets

572 Office services.

This account shall include payroll and all other expenses incurred in the office services function which includes the

maintenance of the corporate offices, the administration of the copy room, the training of executives and other management personnel and all other expenses incurred in connection with the administration of the corporate offices.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

573 Employee benefits.

This account shall include payroll and all other expenses incurred in connection with employee benefits; and in providing supplementary benefits to employees, including vacation accruals, employee activity programs, tuition refunds, medical services and health and welfare costs.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll-Vacation accrual
- 02 Employee welfare
- Use this expense account for the redistribution of employee benefits to all accounts, thus obtaining total payroll and employee welfare costs in each expense account. The basis of the allocation shall be the ratio of total various employee benefits expense accounts (primary account 573) to total company payroll (expense account 01) excluding employee benefits payroll (573-01). The charge shall be included in expense account 02 in each of the primary operating expense accounts. The credit shall be to (573-02) for the amount of employee benefits distributed to other expense accounts.
- 04 Taxes and licenses
- 11 Pensions
- 12 Insurance

This secondary account shall include the net cost (that is, the amounts of premiums less the amounts of dividends or refunds) of insurance required to provide for workmen's compensation or similar employee protection whether such insurance is provided by means of premiums payable to governmental agencies or commercial insurance companies.

Also, amounts sufficient to meet the probable liability not covered by outside insurance on account of claims for injuries to and deaths of employees arising under workmen's compensation and employer's liability acts.

Contributions to health and welfare funds payments for supplemental unemployment benefits, whether under contract arrangements with labor unions or otherwise.

Premiums on group insurance policies for benefit of employees or their beneficiaries, including hospitalization, medical, surgical, life, accident and travel, and disability benefits.

580 Exclusive air operations.

581 Pickup and delivery maintenance—exclusive air.

This account includes all expenses, payroll and other, incurred in repairing and servicing exclusive air pickup and delivery vehicles. This account shall

also be charged with the cost of replacing original equipment included in the book cost of pickup and delivery vehicles, such as fire extinguishers, jacks, lamps, tire chains and tires and tubes. Joint expenses, or those maintenance expenses not readily identifiable, will be charged to this account by allocations from primary account 512.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 13 Depreciation
- Depreciation of automobiles, service cars and equipment used in maintenance and repair functions of air operations.
- Depreciation of shop and garage equipment.
- 17 Equipment rentals
- 20 Real property rentals
- 21 Tires and tubes
- 26 Gain or loss on sale of assets

582 Pickup and delivery transportation—exclusive air.

This account shall include payroll and all other expenses of supervisors, clerical employees, drivers and others whose predominant duties and responsibilities are concerned with the performance of pickup and delivery services for exclusive air service. It also includes the incidental loading, unloading and checking of vehicles when performed by employees whose predominant duties are the driving of vehicles.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
- This secondary account shall include:
 - Bridge, ferry and tunnel tolls
 - Certificate of title fees
 - Gross weight taxes
 - License plate fees
 - Mileage taxes
 - Permits for overload and oversize
 - Port of entry fees
 - Registration fees
 - Ton-mile taxes
 - Vehicle identification plates
 - Vehicle qualification fees
- 08 Unclassified
- 09 Traveling
- 12 Insurance
- Net cost (that is amounts of premiums less the amounts of dividends and refunds) of commercial insurance to protect the carrier against: (1) liability for deaths and/or injuries to persons (other than carrier's employees), and damages to the property of others (except property entrusted to the carrier for transportation or storage), resulting from the operation of revenue vehicles; (2) liability for claims resulting from loss and damage to, or delay of, property entrusted to it for transportation or storage and (3) loss from fire, theft or collision damage to owned or leased vehicles.
- 13 Depreciation
- Depreciation of pickup and delivery equipment.

RULES AND REGULATIONS

- 17 Equipment rentals**
Amounts payable to others, for furnishing pickup and delivery vehicles to the carrier for its exclusive use, and under its control, in pickup and delivery and other local operations, when the payment does not include drivers' wages.
Credits for rents receivable by the carrier for owned or leased pickup and delivery vehicles furnished to others without the services of drivers.
Credits for rents receivable by the carrier for owned or leased pickup and delivery vehicles furnished to other motor carriers under an arrangement whereby both vehicle and driver are furnished by the carrier but the wages of the driver are paid separately by the hiring carrier and included on its payroll.
- 18 Purchased transportation**
Payments to others for picking up and delivering the carrier's intercity freight and performing its local cartage services, when the vehicles so employed are not used exclusively in the carrier's service and are not under its control.
Allowances to shippers and consignees for picking up and delivering intercity surface shipments.
- 22 Motor fuel and oil**
Cost thereof applicable to this expense account will be distributed from 522-Line Haul Transportation based on consumption statistics.
- 26 Gain or loss on sale of assets**

583 Cargo handling-exclusive air.

This account shall include payroll and all other expenses of supervisory, clerical, platform and warehouse employees incurred in connection with the loading, unloading, assorting and other platform handling of express shipments at an exclusive air terminal.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

584 Terminal management—exclusive air.

This account shall include payroll and all other expenses incurred in the administration and management of an exclusive air terminal.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 04 Taxes and licenses
Taxes based on value of real estate and personal property.
- 05 Utilities
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 10 Communications
Telephone expenses, telegrams, rentals for other communication systems; teletype rentals when not part of M.I.S. system etc.

- 12 Insurance**
Net cost (that is, the amounts of premiums less the amounts of dividends or refunds), of commercial insurance to protect the carrier against loss from fire and other perils to structures and improvements.
Also, amounts sufficient to meet the probable liability for claims under classes of risks set out above, that are not covered by commercial insurance.
- 13 Depreciation**
Depreciation of structures situated on owned or unowned land, including all appurtenant fixtures permanently attached thereto, and of improvements to owned land and other structures or constructions.
Depreciation of leasehold property installed by carrier.
Depreciation of office furniture and equipment.
Depreciation of automobiles and station wagons.
- 17 Equipment rentals**
- 19 Commission agents**
- 20 Real property rentals**
Rental payments for real estate used by the terminal department.
- 21 Tires and tubes**
- 22 Motor fuel and oil**
- 26 Gain or loss on sale of assets**

585 Air services management.

This account shall include payroll and all other expenses incurred in the regional and corporate administration and management of Exclusive Air Express Operations. This account shall not include any expenses connected with the administration and management of exclusive air terminals.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

587 Property maintenance-exclusive air.

(a) This account shall include payroll and all other expenses incurred in the repair and maintenance of all exclusive air terminal and office properties, except revenue equipment.

Such property shall include but is not limited to the following:

- (1) Air conditioning and cooling systems
- (2) Conveyors
- (3) Docks
- (4) Elevators and escalators
- (5) Fixtures and equipment
- (6) Heat, light and power systems
- (7) Leasehold improvements

(b) The cost of construction and other work property chargeable to asset accounts shall be excluded from this account.

(c) This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rental

588 Sales and marketing—exclusive air.

This account shall include payroll and all other expenses of employees engaged in the solicitation of domestic and foreign air traffic. It also includes staff personnel and expenses related to exclusive air market research.

This primary operating expense account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
Commissions and fees paid to outside organizations for the solicitation of traffic with the exception of payments to commission agents.
Fees paid to personnel agencies for the procurement of employees.
Maintenance contracts for equipment used in the work applicable to this account.
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

590 Executive.**591 Executive management.**

This account shall include payroll and all other expenses incurred by or for all officers and their staffs engaged in the administration of the executive department.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
Employees whose compensation is to be charged hereto are covered by, but not limited to, the following position titles:
President
Executive Vice President
Assistant to President and Vice President
Vice Presidents
Controller
Treasurer
- 04 Taxes and licenses
This secondary account shall include:
Capital stock taxes
City licenses and permits
Franchise taxes (for privilege of doing business as a corporation)
Gross receipts taxes
Occupancy taxes
Permits to haul liquor, etc.
Stock transfer taxes
Taxes on property leased from others where lessee is obligated under the terms of the lease to pay such taxes in addition to stipulated rent.
Use taxes paid by carrier as vendee.
Taxes based on value of real estate and personal property
- 05 Utilities
- 06 Supplies
- 07 Services purchased
This secondary account shall include:
Printing reports and notices to stockholders.
Fees paid to personnel agencies for procurement of employees.
Maintenance contracts for equipment used in the work applicable to this account.

- 08 Unclassified
This secondary account shall include:
Dues and subscriptions.
Expenses not chargeable to other expense accounts.
Moving allowances paid to employees.
Interview travel expenses paid to applicants.
Directors and trustees fees.
Entertainment of a general company nature.
Fees for filing annual reports and other documents not specifically related to certificates or applications for issuance of securities.
Fees of stocks and bonds registrar and transfer agent.
Living expenses and tuition of executives attending lengthy management courses.

- 09 Traveling
- 10 Communications
- 12 Insurance
Net cost (that is, the amounts of premiums less the amounts of dividends or refunds), of commercial insurance to protect against loss from boiler; burglary; fidelity; holdup; lightning; plate glass; owners, landlords, and tenants liability; and other risks not provided for elsewhere.
Insurance applicable to real estate and personal property.

- 13 Depreciation
Depreciation of office furniture and equipment of the executive department.
Depreciation of general office building.
Depreciation of automobiles and station wagons used by officials and employees of the administrative and executive department.

- 14 Professional services
Charges from outside professional agencies for consultations, evaluations and surveys.
- 15 Donations
Contributions for charitable, social, or community welfare purpose, except contributions to employees' welfare associations.

- 17 Equipment rentals
- 20 Real property rentals
- 21 Tires and tubes
- 22 Motor fuel and oil
- 26 Gain or loss on sale of assets

592 Law.
This account shall include payroll and all other expenses incurred by or for attorneys and others in operating the legal function.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 14 Professional services
- 17 Equipment rentals
- 24 Regulatory fees

593 Purchasing.
This account shall include payroll and all other expenses incurred by or for personnel engaged in the purchasing and storekeeping functions.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies

- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

594 Security.
This account shall include payroll and all other expenses incurred by or for personnel engaged in field and central safety and security functions.

This primary account shall include but not be limited to the following secondary operating expense accounts:

- 01 Payroll
- 06 Supplies
- 07 Services purchased
- 08 Unclassified
- 09 Traveling
- 17 Equipment rentals

NOTE: Detail of applicable items has been omitted under certain of the secondary operating expense accounts shown under primary operating expense accounts 511 to 594 inclusive, where that information has been specifically provided for in the instructions for those accounts.

- 600 Nonoperating income.**
- 610 Noncarrier income.**
- 611 Noncarrier revenues.**

(a) This account shall include the gross revenues from business operations and activities that are not connected with the performance of express transportation services by the carrier.

(b) Separations of noncarrier revenue shall be maintained in accordance with the following secondary accounts:

- 01 Rents from Owned Operating Property
- 02 Rents from Owned Nonoperating Property
- 03 Rents from Subleased Property
- 04 Sundry Income

612 Noncarrier expenses.
This account shall include expenses incurred in deriving gross revenues included in account 611-noncarrier revenues.

NOTE: Expenses as used in the text of this account, include all elements of cost incurred in noncarrier operations, including depreciation of noncarrier property, rents, taxes, (other than income taxes), and insurance.

- 620 Interest income.**
- 621 Investment interest income.**

(a) This account shall include interest accruing to the carrier upon securities of other companies (other than affiliated companies) and federal, state or municipal governments, on loans, notes and advances; special deposits and all other interest bearing assets. Interest accrued shall not be credited to this account unless its payment is reasonably assured; in other cases, credits to this account shall be based upon the interest actually collected.

(b) This account shall be maintained to show separately the interest income from each investment.

622 Affiliate interest income.
(a) This account shall include interest accruing to the carrier upon securities of affiliated companies.

(b) This account shall be maintained to show separately the interest income from each affiliated company.

623 Miscellaneous interest income.
This account shall include interest accruing to the carrier which has not been provided for elsewhere.

- 630 Dividend income.**
- 631 Investment dividend income.**

(a) This account shall include income derived by the carrier from the dividends on stock of other companies (other than affiliated companies) held by it. Accruals of guaranteed dividends may be included in this account if the payment is reasonably assured.

(b) This account shall be maintained to show separately the dividend income from each investment.

632 Affiliate dividend income.
(a) This account shall include income derived by the carrier from the dividends on stock of affiliated companies.

(b) This account shall be maintained to show separately the dividend income from each affiliated company.

- 640 Other income.**
- 641 Miscellaneous income.**

This account shall include all income accrued to the accounting carrier in accordance with the terms of any contract by which the carrier is entitled to participate in the profits from the operations of others, and all nonoperating income not provided for in any of the foregoing accounts. Credits for rents receivable by the carrier for owned or leased railroad cars shall also be included in this account.

NOTE: "Profits from the operations of others" does not include any dividends on stock. Income from dividends shall be credited to account 631-investment dividend income, or account 632-affiliate dividend income, as appropriate.

- 700 Nonoperating expenses.**
- 710 Interest expense.**
- 711 Investment interest expense.**

(a) This account shall include all interest accrued on funded and unfunded debt, and on obligations of indebtedness of whatever kind issued, assumed, or incurred by the carrier (other than affiliated companies). This account shall not include interest on securities held by the carrier in its treasury, in sinking or other special funds, or pledged as collateral.

(b) Secondary accounts, as indicated below, shall be maintained to show separately the interest expense on each of the following:

- 01 Advances Interest Expense
- 02 Bond Interest Expense
- 03 Equipment Obligation Interest Expense
- 04 Other Long-term Obligation Interest Expense
- 05 Current Obligation Interest Expense

712 Affiliate interest expense.
(a) This account shall include interest accrued on funded and unfunded debt,

and on obligations of whatever kind issued, assured or incurred by the carrier to affiliated companies.

(b) This account shall be maintained to show separately the interest expense to each affiliated company.

720 Debt expense and credit.

721 Debt discount expense.

(a) This account shall be charged each month with the applicable proportion of the unamortized discount and expense on outstanding long-term debt.

(b) A plan of amortization shall be adopted that will result in distributing the total debt discount and expense through equal monthly charges to this account over the life of the security.

722 Debt premium credit.

(a) This account shall be credited each month with the applicable proportion of the premium at which outstanding long-term debt was issued.

(b) A plan of amortization shall be adopted that will result in distributing the debt premium through equal monthly credits to this account over the life of the security.

730 Other expenses.

731 Miscellaneous expenses.

(a) This account shall be charged with all items properly chargeable to income of the current year which have not been provided for elsewhere, including contract guarantees to be assumed by the carrier, loss reimbursements in accordance with the terms of contracts, nonoperating bad debts, intangible write-offs, contributions that do not have a direct relationship to the protection of carrier property, development of business or welfare of the carriers; employees' fines and penalties for violations of law, and excess of premiums for life insurance of officers and employees over the increase in cash surrender value of the policies.

(b) Charges to this account shall be separated upon basis of the following secondary accounts:

- 01 Contract Guarantees
- 02 Loss Reimbursements
- 03 Nonoperating Bad Debts
- 04 Intangible Write-Offs
- 05 Nonoperating Donations
- 06 Fines and Penalties
- 07 Excess Life Insurance Premium
- 08 Sundry Expenses
- 09 Salvage Value of Revenue Equipment

800 Income taxes on ordinary income.

810 Income taxes on ordinary income.

811 Federal income taxes.

This account shall be charged each month with its proportion of Federal income taxes payable on the net annual income or profits of the carrier. (See account 930—Income taxes on extraordi-

nary and prior period items for recording other Federal income taxes).

813 Other income taxes.

This account shall be charged each month with its proportion of income taxes (other than Federal) payable on the net annual income or profits of the carrier. (See account 930—Income taxes on extraordinary and prior period items for recording other income taxes.)

900 Extraordinary and prior period items.

910 Extraordinary items (net).

911 Extraordinary items (net).

(a) This account shall include extraordinary items accounted for during the current year in accordance with general instruction 1-1(b) and with the approval of the Commission. Among the items which shall be included in this account are:

- (1) Net gain or loss on sale of land used for transportation purposes.
- (2) Net gain or loss on sale of securities acquired for long-term investment purposes.
- (3) Net gain or loss on reacquisition of company bonds.
- (4) Loss on retirement of express property because of abandonment or other cause for which depreciation accruals have not been provided.
- (5) Changes in application of accounting principles.

(b) Income tax consequences of charges and credits to this account shall be included in account 930—Income taxes on extraordinary and prior period items.

(c) This account shall be maintained in a manner sufficient to identify the nature and gross amount of each debit and credit.

920 Prior period items (net).

921 Prior period items (net).

(a) This account shall include unusual delayed items accounted for during the current fiscal year in accordance with the text of general instruction 1-1(b) and with the approval of the Commission. Among the items which shall be included in this account are:

- (1) Unusual adjustments, refunds or assessments of income taxes of prior years.
- (2) Similar items representing transactions of prior years which are not identifiable with or do not result from business operations of the current year.

(b) Income tax consequences of charges and credits to this account shall be included in account 930—Income taxes on extraordinary and prior period items.

(c) This account shall be maintained in a manner sufficient to identify the nature and gross amount of each debit and credit.

930 Income taxes on extraordinary and prior period items.

931 Income taxes on extraordinary and prior period items.

This account shall include the estimated income tax consequences (debit or credit) assignable to the aggregate of items of both taxable income and deductions from taxable income which, for accounting purposes, are classified as unusual and extraordinary and are includable in account 910—extraordinary items, or account 920—prior period items, as appropriate.

999 Form of income statement.

300—OPERATING REVENUES	
310	Domestic Express..... \$-----
320	Foreign Express..... \$-----
330	Interline Express..... \$-----
340	Other Express..... \$-----
350	Other Revenue..... \$-----
	Total Operating Revenues..... \$=====
500—OPERATING EXPENSES	
510	Equipment Maintenance..... \$-----
520	Transportation..... \$-----
530	Terminal..... \$-----
540	Operations..... \$-----
550	Marketing..... \$-----
560	Finance and Administration..... \$-----
570	Personnel..... \$-----
580	Exclusive Air Operations..... \$-----
590	Executive..... \$-----
	Total Operating Expenses..... \$=====
	Net Operating Revenue..... \$=====
600—NONOPERATING INCOME	
610	Noncarrier Income..... \$-----
620	Interest Income..... \$-----
630	Dividend Income..... \$-----
640	Other Income..... \$-----
	Total Nonoperating Income..... \$=====
	Total Income..... \$=====
700—NONOPERATING EXPENSES	
710	Interest Expense..... \$-----
720	Debt Expense and Credit..... \$-----
730	Other Expenses..... \$-----
	Total Nonoperating Expenses..... \$=====
	Ordinary Income Before Income Taxes..... \$=====
800—INCOME TAXES ON ORDINARY INCOME	
810	Income Taxes on Ordinary Income..... \$-----
	Ordinary Income..... \$=====
900—EXTRAORDINARY AND PRIOR PERIOD ITEMS	
910	Extraordinary Items (Net)..... \$-----
920	Prior Period Items (Net)..... \$-----
930	Income Taxes on Extraordinary and Prior Period Items..... \$-----
	Total Extraordinary and Prior Period Items..... \$=====
	NET INCOME (OR LOSS)..... \$=====

999 Matrix of secondary and primary expense accounts.

PRIMARY OPERATING EXPENSE ACCOUNTS	SECONDARY OPERATING EXPENSE ACCOUNTS																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
511 Maintenance Management	X																								
512 Line Haul Maintenance	X																								
513 Pickup and Delivery Maintenance	X																								
514 Service Cars	X																								
515 Railroad Car Maintenance	X																								
522 Line Haul Transportation	X																								
523 Pickup and Delivery Transportation	X																								
524 Air Transportation	X																								
525 Railroad Transportation	X																								
531 Terminal Management	X																								
532 Cargo Handling	X																								
534 Property Maintenance	X																								
541 Operations Management	X																								
542 Fleet Maintenance	X																								
543 Transportation Management	X																								
544 Engineering and Fuel Expense	X																								
552 Sales	X																								
553 Freight Claims	X																								
554 Surface Advertising	X																								
555 Air Advertising	X																								
558 Market Research	X																								
557 Traffic	X																								
559 Foreign Services Management	X																								
561 Banking Corporate Accounting	X																								
562 Disbursements	X																								
563 Budget and Cost	X																								
564 Revenue Billing and Collecting	X																								
565 Tax and Insurance	X																								
566 Internal Auditing	X																								
567 Data Processing	X																								
568 Systems and Programming	X																								
569 Credit and Collections	X																								
571 Personnel Management	X																								
572 Office Services	X																								
573 Employee Benefits	X																								
581 Pickup & Deliv. Maint. - Excludes Air	X																								
582 Pickup & Deliv. Transp. - Excludes Air	X																								
583 Cargo Handling - Excludes Air	X																								
584 Terminal Mgmt. - Excludes Air	X																								
585 Air Services Management	X																								
587 Property Maintenance - Excludes Air	X																								
588 Sales & Marketing - Excludes Air	X																								
591 Executive Management	X																								
592 Law	X																								
593 Purchasing	X																								
594 Security	X																								

[PR Doc. 73-10485 Filed 8-12-73; 8:45 am]

Title 50—Wildlife and Fisheries

CHAPTER I—BUREAU OF SPORT FISHERIES AND WILDLIFE, FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 32—HUNTING

Kirwin National Wildlife Refuge

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

KANSAS

KIRWIN NATIONAL WILDLIFE REFUGE

Public hunting of pheasants, quail, cottontail rabbits, and fox squirrels on the Kirwin National Wildlife Refuge, Kansas, is permitted only on the area designated by signs as open to hunting. This open area, comprising 3,300 acres, is delineated on maps available at refuge headquarters, 5 miles west of Kirwin, Kansas, and from the Regional Director, Bureau of Sport Fisheries and Wildlife, 10597 W 6th Ave., Denver, Colorado 80215. Hunting shall be in accordance with all applicable State regulations governing the hunting of pheasants, quail, cottontail rabbits, and fox squirrels subject to the following special conditions:

(1) The open season for hunting pheasants on the refuge extends from November 10, 1973 through January 31, 1974, inclusive.

(2) The open season for hunting quail on the refuge extends from November 10, 1973 through January 31, 1974, inclusive.

(3) The open season for hunting cottontail rabbits and fox squirrels on the refuge shall be only on those days during the open season for the hunting of pheasants and quail.

(4) Shotguns and bow and arrows are legal weapons. Rifles or handguns will not be permitted.

The provisions of this special regulation supplement the regulations which govern hunting on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through January 31, 1974.

KEITH S. HANSEN,
Refuge Manager, Kirwin National Wildlife Refuge, Kirwin, Kansas.

AUGUST 3, 1973.

[FR Doc.73-16676 Filed 8-10-73; 8:45 am]

Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Department of Labor

Section 213.3315 is amended to reflect the following title change: from four Assistants to the Special Assistant to the Secretary for Legislative Affairs to four Assistants to the Deputy Under Secretary for Legislative Affairs.

Effective on August 13, 1973, paragraph (a) (8) of § 213.3315 is amended as set out below.

§ 213.3315 Department of Labor.

(a) *Office of the Secretary.* * * *

(8) Four Assistants to the Deputy Under Secretary for Legislative Affairs.

(5 U.S.C. secs. 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.

[FR Doc.73-16638 Filed 8-10-73; 8:45 am]

PART 213—EXCEPTED SERVICE

Department of Labor

Section 213.3315 is amended to reflect the following title change: from one Special Assistant to the Assistant Secretary for Occupational Safety and Health to one Executive Assistant to the Assistant Secretary.

Effective on August 13, 1973, paragraph (a) (35) is added and paragraph (a) (22) is amended of § 213.3315 as set out below.

§ 213.3315 Department of Labor.

(a) *Office of the Secretary.* * * *

(22) Two Special Assistants to the Assistant Secretary for Occupational Safety and Health.

(35) One Executive Assistant to the Assistant Secretary for Occupational Safety and Health.

(5 U.S.C. secs. 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.

[FR Doc.73-16639 Filed 8-10-73; 8:45 am]

PART 213—EXCEPTED SERVICE

Department of Labor

Section 213.3315 is amended to show that one position of Office Management Assistant to the Counsellor to the Secretary is excepted under Schedule C.

Effective August 13, 1973, § 213.3315 (a) (34) is added as set out below.

§ 213.3315 Department of Labor.

(a) *Office of the Secretary.* * * *

(34) One Office Management Assistant to the Counsellor to the Secretary.

(5 U.S.C. secs. 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.

[FR Doc.73-16640 Filed 8-10-73; 8:45 am]

PART 213—EXCEPTED SERVICE

U.S. Arms Control and Disarmament Agency

Section 213.3364 is amended to show that one position of Staff Assistant to the Special Assistant to the Director is excepted under Schedule C.

Effective August 13, 1973, § 213.3364 (h) is added as set out below.

§ 213.3364 U.S. Arms Control and Disarmament Agency.

(h) One Staff Assistant to the Special Assistant to the Director.

(5 U.S.C. secs. 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.

[FR Doc.73-16641 Filed 8-10-73; 8:45 am]

PART 213—EXCEPTED SERVICE

Department of Transportation

Section 213.3394 is amended to show that one position of Deputy Under Secretary is excepted under Schedule C.

Effective on publication in the FEDERAL REGISTER, § 213.3394(a) (44) is added as set out below.

§ 213.3394 Transportation Department.

(a) *Office of the Secretary.* * * *

(44) Deputy Under Secretary.

(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.

[FR Doc.73-16808 Filed 8-10-73; 8:45 am]

Title 7—Agriculture

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

NATIONAL SCHOOL LUNCH PROGRAM, SPECIAL MILK PROGRAM FOR CHILDREN, SCHOOL BREAKFAST PROGRAM, AND SPECIAL FOOD SERVICE PROGRAM

Definition of Milk

On June 4, 1973, there was published in the FEDERAL REGISTER (38 FR 14601), a notice of proposed rulemaking to amend the Regulations governing the operation of the National School Lunch Program (7 CFR Part 210), Special Milk Program for Children (7 CFR Part 215), School Breakfast Program (7 CFR Part 220), and the Special Food Service Program for Children (7 CFR Part 225) for the purpose of authorizing a choice in the type of milk served under the child nutrition programs. Responses to the proposed amendments were received from 512 individuals and organizations. The com-

ments and the action taken as a result thereof are discussed below.

The proposed revision to the definition of milk was supported overwhelmingly by 501 respondents. Many of these respondents specifically referred to the fact that the new definition would increase flexibility in the meal service without causing a loss of necessary protein, vitamins, and minerals. Many respondents also expressed the belief that this increased flexibility will be a great step toward increasing program participation.

Twelve of the respondents favoring the amendments suggested that the definition be rewritten to include a requirement that skim and low fat milk be fortified with Vitamins A and D. Inasmuch as the State standards for milk and for the fortification of milk vary, the Department does not believe it should impose such a requirement. Ten of the above respondents were not in favor of allowing a choice of flavored milk. They expressed the concern that children would most often choose the flavored milk and that the inclusion of sugar and chocolate in such milk contributes heavily to dental caries and obesity.

Eleven respondents had mixed comments opposing the implementation of the proposed amendments. They expressed concern that many schools and institutions would serve only low fat milk because it is cheaper; that the packaging of these additional varieties of milk would be more expensive; that a choice of milk would create new problems with record-keeping, ordering, inventory and serving; that the definition offers no method of control for maintaining the nutritional quality of the meals provided to children; that a choice of milk would be particularly detrimental to younger children who need whole milk in early years; that the need for children to drink other than whole milk is a controversial issue that has never been proven or settled, that is, that fat in children's diets is responsible for certain types of ailments in middle age and later years; and that the future adequate national milk supply would be jeopardized.

Local school officials have always been permitted to serve a variety of milk types and, heretofore, many schools and institutions have made a choice of milk available with meals but were not reimbursed for those meals because child nutrition program regulations authorized the service of fluid whole milk only, except in certain cases where individual participating children were unable, because of medical or other special dietary needs, to consume fluid whole milk.

These amendments are intended to expand the child nutrition programs to include the service of a variety of milk types as a meal component under the National School Lunch Program, School Breakfast Program and Special Food Service Program for Children, and to include the service of a variety of milk types under the Special Milk Program for Children for which the Department will provide reimbursement.

The issuance of these amendments is not an advocacy or a mandate by the Department to serve any one of the pro-

posed types of milk, nor are these amendments intended to discourage the continued use of whole milk. The service of the type or types of milk (meeting the requirements of the definition) shall continue to be left to the discretion of the State and local school authorities. Thus no change has been made in the final amendments.

Accordingly, the National School Lunch Program, Special Milk Program for Children, School Breakfast Program and Special Food Service Program for Children regulations are amended as follows:

[Amdt. 13]

PART 210—NATIONAL SCHOOL LUNCH PROGRAM

1. In § 210.2 paragraph (i) is revised to read as follows:

§ 210.2 Definitions.

(i) "Milk" means fluid types of unflavored whole milk or lowfat milk or skim milk or cultured buttermilk which meet State and local standards for such types of milk and flavored milk made from such types of milk which meet such standards; and, in those areas of Alaska, Guam, Hawaii, American Samoa, Puerto Rico, and the Virgin Islands where a sufficient supply of such types of milk cannot be obtained, shall include recombined or reconstituted whole milk, and, in those areas of Alaska, American Samoa, Puerto Rico, and the Virgin Islands where a sufficient supply of such types of milk or of recombined or reconstituted whole milk cannot be obtained, shall include reconstituted nonfat dry milk.

(Catalog of Federal Domestic Assistance Program No. 10.555, National Archives Reference Services)

[Amdt. 10]

PART 215—SPECIAL MILK PROGRAM FOR CHILDREN

2. In § 215.2 paragraph (1) is revised to read as follows:

§ 215.2 Definitions.

(1) "Milk" means fluid types of unflavored whole milk or lowfat milk or skim milk or cultured buttermilk which meet State and local standards for such types of milk and flavored milk made from such types of milk which meet such standards; and, in those areas of Alaska, Guam, and Hawaii where a sufficient supply of such types of milk cannot be obtained, shall include recombined or reconstituted whole milk.

(Catalog of Federal Domestic Assistance Program No. 10.556, National Archives Reference Services)

[Amdt. 15]

PART 220—SCHOOL BREAKFAST AND NONFOOD ASSISTANCE PROGRAMS AND STATE ADMINISTRATIVE EXPENSES

3. In § 220.2 paragraph (j) is revised to read as follows:

§ 220.2 Definitions.

(j) "Milk" means fluid types of unflavored whole milk or lowfat milk or skim milk or cultured buttermilk which meet State and local standards for such types of milk and flavored milk made from such types of milk which meet such standards; and, in those areas of Alaska, Guam, Hawaii, American Samoa, Puerto Rico, and the Virgin Islands where a sufficient supply of such types of milk cannot be obtained, shall include recombined or reconstituted whole milk, and, in those areas of Alaska, American Samoa, Puerto Rico, and the Virgin Islands where a sufficient supply of such types of milk or of recombined or reconstituted whole milk cannot be obtained, shall include reconstituted nonfat dry milk.

§ 220.3 [Amended]

4. In § 220.3, the term, "fluid whole milk" in subparagraph (1) of paragraph (a) is deleted and the term "milk" is substituted therefor.

(Catalog of Federal Domestic Assistance Program No. 10.553, National Archives Reference Services)

[Amdt. 7]

PART 225—SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

5. In § 225.2, paragraph (k) is revised to read as follows:

§ 225.2 Definitions.

(k) "Milk" means fluid types of unflavored whole milk or lowfat milk or skim milk or cultured buttermilk which meet State and local standards for such types of milk and flavored milk made from such types of milk which meet such standards; and, in those areas of Alaska, Guam, Hawaii, American Samoa, Puerto Rico, the Trust Territory of the Pacific Islands, and the Virgin Islands where a sufficient supply of such types of milk cannot be obtained, shall include recombined or reconstituted whole milk, and, in those areas of Alaska, American Samoa, Puerto Rico, the Trust Territory of the Pacific Islands, and the Virgin Islands where a sufficient supply of such types of milk or of recombined or reconstituted whole milk cannot be obtained, shall include reconstituted nonfat dry milk.

§ 225.9 [Amended]

6. In § 225.9, the term "fluid whole milk" in subdivision (1) of subparagraphs (1) and (2) of paragraph (b) is deleted and the term "milk" is substituted therefor.

(Catalog of Federal Domestic Assistance Program No. 10.562, National Archives Reference Services.)

Effective date. These amendments shall be effective August 13, 1973.

Dated: August 9, 1973.

CLAYTON YEUTTER,
Assistant Secretary.

[FR Doc.73-16791 Filed 8-10-73;8:45 am]

CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

[Avocado Reg. 15, Amdt. 2]

PART 915—AVOCADOS GROWN IN SOUTH FLORIDA

Limitation of Shipments

This amendment to Avocado Regulation 15 revises the maturity requirements for the handling of the Nesbitt variety of avocados, so as to permit the marketing of mature avocados of this variety. The maturity requirements are specified in terms of minimum weights or diameters and are those which have been found to be necessary for the avocados to ripen properly after harvesting.

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 915, as amended (7 CFR Part 915), regulating the handling of avocados grown in South Florida, 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 recommendation of the Avocado Administrative Committee, established under the aforesaid marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of avocados, 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 rulemaking procedure, and postpone the effective date of this amended regulation until 30 days after publication thereof 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; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of Florida avocados are currently regulated pursuant to Avocado Regulation 15 (38 FR 15511; 17437) and, unless sooner modified or terminated, will continue to be so regulated until April 30, 1974. The recommendation and supporting information for amendment of the regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Avocado Administrative Committee on August 7, 1973; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the recommended amendment

and information upon which the amendment is based were received by the Department on August 7, 1973; the provisions of this amended regulation, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of avocados; it is necessary, in order to effectuate the declared policy of the act, to make this amended regulation effective during the period and in the manner hereinafter set forth so as to provide for the continued regulation of the handling of such avocados; compliance with this amended regulation will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof, and it relieves restric-

tions by permitting shipment of the Nesbitt variety at an earlier date than now provided.

The need for the amendment to Avocado Regulation 15 stems from the current avocado crop maturity situation. Because of current rainfall and warm weather, the Nesbitt variety of avocados are of a larger size than normal, and are maturing about two-weeks earlier than the date such variety of avocados are permitted to be handled pursuant to the provisions of such regulation.

Order. The provisions of paragraph (a) (2) of § 915.315 (Avocado Regulation 15; 38 FR 15511; 17437) are amended by changing in Table I the dates and minimum weights applicable to the Nesbitt variety, so that after such changes the portion of Table I relating to the Nesbitt variety reads as follows:

Variety	Date	Minimum Weight or Diameter	Date	Minimum Weight or Diameter	Date	Minimum Weight or Diameter	Date
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Nesbitt	8-8-73	22 oz.	8-20-73	18 oz.	8-27-73	16 oz.	9-17-73

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

Dated, August 8, 1973, to become effective August 8, 1973.

D. S. KURYLOSKI,
Acting Deputy Director, Fruit and
Vegetable Division, Agricultural Marketing Service.

[FR Doc.73-16745 Filed 8-10-73; 8:45 am]

PART 919—PEACHES GROWN IN MESA COUNTY, COLORADO

Expenses and Rate of Assessment

This document authorizes expenses of \$1,000 of the Administrative Committee, under Marketing Order No. 919, for the 1972-73 fiscal period and fixes the rate of assessment of \$0.005 per cwt. of peaches handled in such period to be paid to the committee by each first handler as his pro rata share of such expenses.

On July 30, 1973, notice of rule making was published in the FEDERAL REGISTER (38 FR 20265) regarding proposed expenses and the related rate of assessment for the period December 1, 1972, through November 30, 1973, pursuant to the marketing agreement, as amended, and Order No. 919, as amended (7 CFR Part 919), regulating the handling of peaches grown in Mesa County, Colorado. This notice allowed interested persons 7 days during which they could submit written data, views, or arguments pertaining to these proposals. None were submitted. This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). After consideration of all relevant matters presented, including the proposals set forth in such notice which were submitted by the Administrative Committee (established pursuant to said marketing agreement and order), it is hereby found and determined that:

§ 919.212 Expenses and rate of assessment.

(a) **Expenses.** Expenses that are reasonable and likely to be incurred by the Administrative Committee during the period December 1, 1972, through November 30, 1973, will amount to \$1,000.

(b) **Rate of assessment.** The rate of assessment for said period, payable by each handler in accordance with § 919.41, is fixed at \$0.005 per cwt. of peaches.

It is hereby further found that good cause exists for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER (7 U.S.C. 553) in that (1) shipments of peaches have already begun, (2) the relevant provisions of said marketing agreement and this part require that the rate of assessment herein fixed shall be applicable to all assessable peaches handled during the aforesaid period; and (3) such period began on December 1, 1972, and the rate of assessment herein fixed will automatically apply to all assessable peaches beginning with such date.

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

Dated: August 8, 1973.

D. S. KURYLOSKI,
Acting Deputy Director, Fruit
and Vegetable Division, Agri-
cultural Marketing Service.

[FR Doc.73-16744 Filed 8-10-73; 8:45 am]

PART 948—IRISH POTATOES GROWN IN COLORADO

Expenses and Rate of Assessment

This document authorizes expenses of \$14,780 for the Area No. 2 Committee under Marketing Order No. 948, as amended, during the 1973-74 fiscal period and fixes a rate of assessment of \$0.0025 per hundredweight of potatoes handled in such period to be paid to the committee by each first handler as his pro rata share of such expenses.

Notice of rulemaking regarding the proposed expenses and rate of assessment for Area No. 2 (San Luis Valley), to be effective under Marketing Agreement No. 97 and Order No. 948, both as amended (7 CFR Part 948), was published in the July 17, 1973, FEDERAL REGISTER (38 FR 19047). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

The notice afforded interested persons an opportunity to file written data, views, or arguments pertaining thereto not later than August 6, 1973. None was filed.

After consideration of all relevant matters, including the proposals set forth in the aforesaid notice which were recommended by the Area No. 2 Committee, established under the marketing agreement and order, it is hereby determined that:

§ 948.269 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred by the Area No. 2 Committee to enable it to perform its functions, under the provisions of Marketing Agreement No. 97, as amended, and this part, during the fiscal period ending June 30, 1974, will amount to \$14,780.

(b) The rate of assessment to be paid by each handler pursuant to Marketing Agreement No. 97, as amended, and this part, shall be \$0.0025 per hundredweight of potatoes grown in Area No. 2 handled by him as the first handler thereof during said fiscal period.

(c) Unexpended income in excess of expenses for the fiscal period ending June 30, 1974, may be carried over as a reserve.

(d) Terms used in this section shall have the same meaning as when used in Marketing Agreement No. 97, as amended, and this part.

It is hereby found that good cause exists for not postponing the effective date of this section until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) the relevant provisions of the said marketing agreement and this part require that the rate of assessment for a particular fiscal period shall be applicable to all assessable potatoes from the beginning of such period, and (2) the current fiscal period began on July 1, 1973, and the rate of assessment herein fixed will apply to all assessable potatoes beginning with such date.

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

Dated: August 7, 1973.

D. S. KURYLOSKI,
Acting Deputy Director, Fruit
and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 73-16669 Filed 8-10-73; 8:45 am]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS PURCHASES, AND OTHER OPERATIONS

[1973-Crop Distress Grain Loan Program Regs.]

PART 1473—DISTRESS LOANS

Subpart—1973-Crop Distress Grain Loan Program

Correction

In FR Doc. 73-16029 appearing at page 20843 in the issue of Friday, August 3, 1973, make the following changes:

1. In the Table of Contents immediately after entry "1473.12 Release of grain under loan.", insert "1473.13 Insurance".
2. In the second line of § 1473.19, after "§ 1421.24" insert "of this chapter".

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Airspace Docket No. 73-EA-66]

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

Alteration of Control Zone and Transition Area

The Federal Aviation Administration is amending §§ 71.171 and 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the Greater Pittsburgh Control Zone (38 FR 411) and Pittsburgh, Pa., Transition Area (38 FR 557).

The Greater Pittsburgh, Pa. Airport name was recently changed to "Greater Pittsburgh International Airport." To reflect the revised name of the airport, we will require an editorial change to the description of the control zone and 700-foot floor transition area description.

Since the foregoing is editorial in nature, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In view of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective on August 13, 1973, as follows:

1. Amend § 71.171 of Part 71, Federal Aviation Regulations by altering the de-

scription of the Pittsburgh, Pa. (Greater Pittsburgh) Control Zone by deleting the phrase "Greater Pittsburgh Airport," and by substituting therefor the phrase, "Greater Pittsburgh International Airport."

2. Amend § 71.181 of Part 71, Federal Aviation Regulations by altering the description of the Pittsburgh, Pa. 700-foot floor transition area by deleting the phrase, "Greater Pittsburgh Airport," and by substituting therefor the phrase "Greater Pittsburgh International Airport."

(Sec. 307(a); Federal Aviation Act of 1958; 72 Stat. 749; 49 U.S.C. 1348; sec. 6(c); Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Jamaica, N.Y., on July 27, 1973.

L. J. CARDINALI,
Acting Director,
Eastern Region.

[FR Doc. 73-16631 Filed 8-10-73; 8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

SUBCHAPTER C—REGULATIONS UNDER SPECIFIC ACTS OF CONGRESS

[Docket No. 206-13]

PART 303—RULES AND REGULATIONS UNDER THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACT

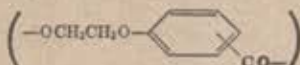
Generic Names and Definitions for Manufactured Fibers

On December 9, 1970, Unitika Limited, a Japanese corporation with executive offices at 4-68 Kitakyutaro-Machi, Higashiku, Osaka, Japan, and U.S. offices at 350 Fifth Avenue, New York, N.Y. 10001, filed an application pursuant to § 303.8 [16 CFR 303.8] of the rules and regulations under the Textile Fiber Products Identification Act, 72 Stat. 1717, et seq., 79 Stat. 124, 15 U.S.C. § 70, et seq. (hereinafter referred to as "Act"), requesting that 16 CFR 303.7, setting forth generic names and definitions of manufactured textiles fibers, be amended by adding thereto a new generic name and definition to cover its fiber called "A-Tell." Applicant alleged that A-Tell is a distinctive new fiber exhibiting advantageous physical and chemical properties, that it is not covered by any generic classification in § 303.7, and that it should not be identified by any of the generic names in such section. According to the application, the fiber has essentially the following chemical formula:



The new generic name and definition proposed by applicant are as follows:

Benzoate [or Peb or Pebsl or Benox]—a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of para-ethyleneoxy benzoate units



By letter of February 8, 1972, the Commission assigned the designation "UT-0001" to Unitika's fiber for temporary use until a final determination could be made as to the merits of the application.

On February 25, 1972, a Notice of proposed rule making was issued by the Commission in this proceeding and subsequently published in the FEDERAL REGISTER at 37 FR 4726, March 4, 1972. Such Notice announced that the Commission was considering the application, including the following questions:

(1) Whether the fiber described in the application may properly be designated by any existing generic name or names contained in 16 CFR 303.7, and

(2) What, if any, amendment to the rules and regulations under the Act, particularly § 303.7 thereof, may be necessary and proper with regard to matters raised in the application.

The notice further provided that should the Commission determine that some amendment of § 303.7 is necessary, it would consider whether the present definition of polyester, paragraph (c) thereof, should be broadened to cover fibers such as applicant's or whether a new generic name and definition should be added to § 303.7.

The notice also provided that interested parties could participate in this proceeding by submitting their views, arguments, or other pertinent data, in writing, to the Commission.

E.I. du Pont de Nemours & Co., Inc. submitted comment in which it opposed creation of a new generic classification to cover A-Tell, favoring instead a broadening of the polyester definition to cover such fibers. Applicant also submitted comment in further support of its application and in rebuttal to du Pont's comment. This material included, among other things, letters of support of the application from two polymer chemists, Dr. Teiji Tsuruta, of the University of Tokyo, Japan, and Dr. Maurice L. Huggins of the Arcadia Institute for Scientific Research, Inc., in the United States.

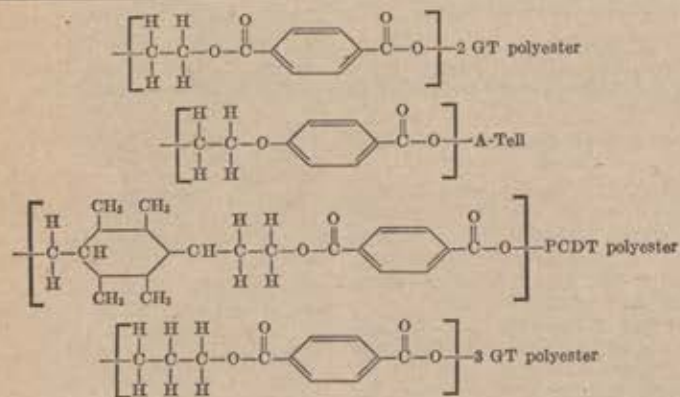
The present definition of polyester is "a manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of an ester of a dihydric alcohol and terephthalic acid (p.—HOOC—C₆H₄—COOH)." By far the most commonly known and widely sold fiber falling within this definition is known as PET or 2 GT polyester (Hereinafter the term 2 GT is used. "G" stands for glycol; "T" stands for terephthalic acid; the number stands for the number of CH₂ groups in the glycol.) Another well-known, but less common commercial polyester is PCDT polyester. The chemical structures of these two fibers and A-Tell are diagrammed below. Also included is the 3 GT experimental polyester referred to by du Pont in its comments.

It is readily apparent that A-Tell and 2 GT polyester are very much alike. Both have an ester linkage, an aromatic ring, and an ethylene section in their repeating units. The only difference is in the other linkage adjacent to the aromatic ring (left side in the drawing), which is an ester linkage in the polyester and an ether linkage in the A-Tell. Both fibers would be called polyesters in chemical terminology, although A-Tell could be called a polyester-ether. Because of this very substantial similarity in chemical structure it would be the Commission's inclination to enlarge the polyester definition to encompass applicant's fiber, unless there is some clear reason why this should not be done. In this connection, the Commission has considered the various property similarities and differences among A-Tell and the polyesters, raised by applicant and du Pont.

Applicant indicated in the portion of its application designated "Supplementary Information" that A-Tell and 2 GT polyester are either identical or very similar in such qualities as specific gravity, moisture regain, tensile strength, elongation at break, extension recovery, abrasion resistance, light resistance, and acid resistance; and that they are only slightly different in tenacity against heat. Applicant reported some differences in X-ray diffraction photographs, infrared absorption spectra, nuclear magnetic resonance absorption spectra, second order transition temperature, weather resistance, solubility in certain organic solvents, alkali resistance, and dyeability. Pronounced differences were noted in melting point and modulus.

In the Commission's view, the X-ray diffraction photographs, infra-red absorption spectra, and NMR absorption spectra mainly indicate that the molecular structures of A-Tell and 2 GT polyester are different, but, as has been indicated above, the Commission does not take this as necessarily requiring that A-Tell be classified separately from the polyesters.

Applicant said that A-Tell was less resistant to certain organic solvents than 2 GT polyester; du Pont stated such solvents were exotic ones not used by consumers or the textile trade. To applicant's tests showing superior alkali and



weather resistance of A-Tell as compared with 2 GT polyester, du Pont countered that the test conditions employed would not likely be encountered in normal usage. (Such conditions did include six months' outdoor exposure, soaking in 16% or more caustic soda, boiling 150 to 300 hours in pressurized 120°C hot water.)

Applicant reported the following modulus and melting point differences between A-Tell and 2 GT polyester:

	A-Tell filament yarn	2 GT polyester filament yarn
Young's modulus....	400-900	1,100-2,000
Initial modulus....	33-75	90-100
Melting point.....	223-228	226-230

Du Pont countered that the melting points of Type 765 "Fortrel" polyester (a commercial 4 GT polyester) and 3 GT polyester are 218°C and 220°C, respectively, and that the initial modulus of 3 GT polyester is only 20.

As against applicant's showing of a difference of nearly 5°C in second order transition temperature between A-Tell and 2 GT polyester, du Pont showed a 12°C spread among fibers within the existing polyester definition.

Applicant stated in its Supplementary Information that A-Tell can be dyed brilliantly and fast with disperse and azoic dyes and that its dyeability is far better than that of polyester. It presented a graph showing considerably more disperse dye exhaustion by A-Tell than 2 GT polyester at 97°C. It stated in its later comments that A-Tell, but not polyester, can be treated with sulphur after manufacture to dye with basic dyes. Du Pont indicated in its comments that both 3 GT and 4 GT polyesters have disperse dyeability rates in the same range as A-Tell and that A-Tell dyes with the same dyes as the polyesters. It said that applicant has not shown that dyeing A-Tell with basic dyes after sulphur treatment is superior, economically and otherwise, to processes presently used for dyeing polyesters.

A study of the various test results and points raised above has revealed little to the Commission in the way of properties of interest to the consumer that would distinguish A-Tell from existing polyesters, particularly when A-Tell is compared with the wider range of polyester fibers and not just 2 GT polyester. Also, with regard to weather and alkali resistance and dyeability, the Commission must consider, along with applicant's test results, that the polyesters have over the

years exhibited characteristics in these areas quite adequate for normal trade and consumer use. See in this connection, e.g., Cook, *Handbook of Textile Fibers*, 4th Ed., pp. 384, 385-387, 393, 398-401.

An additional claim particularly emphasized by applicant is that A-Tell possesses a special suitability for use in next-to-the-body wear—e.g., men's and women's underwear and hosiery. It claims A-Tell can be successfully utilized in such garments even at 100 percent fiber content level; that such use potential results mostly from an exceptional moisture dispersing property and a good elasticity of A-Tell; and that polyester is not as suitable for the next-to-the-body wear as A-Tell, primarily because polyester lacks moisture dispersing ability and sufficient elasticity. In its comments applicant stated A-Tell readily disperses moisture, quickly releasing it to the atmosphere "by reason of the greater surface area available for moisture evaporation." In its later comments it stated that the "highly polar nature of the ether moiety vis-a-vis an ester link provides for a greater degree of intermolecular hydrogen bonding between * * * [A-Tell] and water molecules, or, in other words, a stronger affinity for water than the polyesters, even though the moisture regain among * * * [A-Tell] and the polyesters is roughly the same." Applicant reported testing samples of A-Tell and 2 GT polyester, *inter alia*, which, it maintained, showed A-Tell to transpire water faster than polyester. However, du Pont disputed the validity of these tests and reported a test of its own which it maintained showed the water transpiration of the two fibers to be similar.

With regard to elasticity, applicant's Supplementary Information compared tensile strain recoveries of A-Tell and 2 GT polyester at various percentages of strain or extension. A-Tell was shown to be the same as polyester at 2% and 3%; to be very slightly higher at 5%; and to be significantly higher at 10%. Du Pont, in its comments showed tensile strain recovery significantly lower for A-Tell than 2 GT polyester at 3% strain (but at a temperature of 40°C). It also showed work recovery of A-Tell at 3% and 5% strains to be considerably higher than 2 GT polyester, but clearly in the same range as (although slightly less than) "Kodel" and 3 GT experimental polyester.

In the Commission's view, if applicant bases its claim for superior water dispersing ability for A-Tell on greater surface area, the property does not have a chemical basis and should not be considered in

connection with determining A-Tell's generic classification. If, on the other hand, its claim is based on A-Tell's chemistry, we are faced with 1) data in applicant's Supplementary Information that A-Tell and 2 GT polyester have the same moisture regain and 2) the inconclusive nature of the data submitted (applicant's, vis-a-vis du Pont's) as to how much, if any, A-Tell is superior in dispersing moisture. It is difficult for the Commission to see how there could be appreciably more hydrogen bonding with water in A-Tell than in 2 GT polyester when their moisture regain values are the same. Also, the Commission cannot overlook the fact that polyester itself has the reputation for readily transpiring water. In *Manmade Fibers* by R.W. Moncrieff, 3d Ed., c. 1957, there appears the following, pp. 358-359:

In the staple form * * * [polyester] has been used for socks which are fairly comfortable for town wear and which practically eliminate the housewife's darning chores.

It [polyester] "wicks" so that polyester fabric transfers rain or snow quickly from the outside to the interior of a garment; wool does not do this.

It must be added, however, that many people who have worn * * * [polyester] underclothes say that the lowness of its moisture regain is not disadvantageous, and that the moisture travels through the garment doubtless by wicking and then evaporates; they maintain, too, that there is no chilliness when cooling off after being hot. Something has to be allowed for personal preferences and for conditions of wear.

Also, in *Handbook of Textile Fibres* by J. Gordon Cook, 4th Ed., c. 1968, there appears on p. 391 the following:

Fibres of low moisture absorption tend to be unsatisfactory for use in underwear and other garments in contact with the skin. They do not absorb the perspiration as wool, for example, does, and they may feel damp and clammy. This is mitigated to some extent in the case of PET polyester fabrics, as the fibres tend to "wick" readily. Moisture is carried rapidly through the fabrics, so that it can evaporate quickly as it reaches the outer surface.

Finally, the Commission has serious doubt concerning the degree to which high moisture transpiration can be a substitute for high moisture regain as a comfort factor in next-to-the-body wear.

As to elasticity, the actual data submitted, both by applicant and du Pont (summarized above) certainly could not be said to show a strong superiority of A-Tell over the polyesters in this area.

Also, it is evident to the Commission that both the ability to disperse moisture

and the elasticity of fabrics can be greatly controlled by texturizing and finishing processes.

In view of all these considerations, the Commission cannot see where the superiority of A-Tell over polyester for next-to-the-body wear, to the extent that it exists, is a compelling argument for creation of a new generic classification for A-Tell.

A second additional claim made by applicant is that A-Tell has the appearance of natural silk. However, a glance at page 2 of the Supplementary Information reveals that A-Tell is much closer in properties to 2 GT polyester than to silk. (The specific gravity of silk given in the Supplementary Information, 1.33-1.45, apparently relates to silk prior to degumming. The usual text-book figure for boiled-off or degummed silk is 1.25, as compared with A-Tell's reported specific gravity of 1.34.) Of course, the chemical structure of A-Tell is very different from silk, which is composed of various polypeptide chains. In view of these considerations, A-Tell's stated appearance of natural silk is hardly unique. Several silk-like polyesters appear to be on the market, some of which are Japanese fibers. See, e.g., *Guidebook to Man-made Textile Fibers and Textured Yarns of The World*, the United Piece Dye Works, c 1969, 3d ed.

Another additional claim for A-Tell is that it can be treated with bromine (nonobrominated in the benzene ring) to improve its heat resistance, raise its melting point, increase its strength at elevated temperatures, render it more resistant to certain chemical solvents, render it "more insensitive to laundering and dry cleaning," enhance its affinity for basic dyestuffs, enhance its self-extinguishing property, and enhance its non-flammability characteristics; whereas the polyesters cannot be so treated. Applicant states that in this way A-Tell "can be rendered more abundantly suited than polyesters, by simple chemical treatment, for such consumer products as curtains, sheets, and sleepwear (including pajamas and like) wherein enhanced resistance to heat, flammability, and household and dry cleaning chemicals is an obvious desideratum." Du Pont countered that fibers and fabrics of polyester with topical flame retardant treatments are commercially available.

It is the Commission's view that a treatment, such as applicant's, which fits a fiber for specialized end uses, should be given little weight in determining generic classification, since it does not change the basic identity of the fiber. Any other course could lead to an unnecessary and confusing proliferation of generic names, since it is hardly likely that A-Tell is the only fiber susceptible to such treatments.

After careful consideration of the application, it is the Commission's opinion that A-Tell is so closely related to the polyesters that it belongs in the same generic classification. It is recognized that A-Tell's chemical structure is somewhat different from fibers falling within the present polyesters definition, and that this difference may be related to some differences in properties. However, it is the Commission's judgment that these differences are not great enough to justify creation of a new generic category and that if this were done it would tend to confuse, rather than aid consumers.

Wherefore, after consideration of the views, arguments, and data submitted pursuant to the Notice of proposed rule making herein and other pertinent information and material available to the Commission, the Commission has determined to deny applicant's request that a new generic classification be promulgated and has further determined to amend the rules and regulations under the Textile Fiber Products Identification Act in the manner set forth below.

Section 303.7, "Generic names and definitions for manufactured fibers," of Part 303, Subchapter C, Chapter I, Title 16, Code of Federal Regulations, is hereby amended to revise the polyester definition in such section, paragraph (c), to read as follows:

§ 303.7 Generic names and definitions for manufactured fibers.

(c) *Polyester.* A manufactured fiber in which the fiber-forming substance is any long chain synthetic polymer composed of at least 85% by weight of an ester of a substituted aromatic carboxylic acid, including but not restricted to substituted terephthalate units, p(-R-O-C-C₆H₄-C-O-), and para

substituted hydroxy-benzoate units, p(-R-O-C₆H₄-C-O-).

(Sec. 6, 72 Stat. 1717; 15 U.S.C. section 70e)

Effective date. The amendment to the rules and regulations under the Act prescribed herein shall become effective on September 12, 1973.

As amended § 303.7(c) will cover applicant's fiber. The designation UT-0001 previously assigned to applicant's fiber for temporary use is hereby revoked as of the effective date of the above amendment.

Issued: August 6, 1973.

By the Commission.

[SEAL] CHARLES A. TOBIN,
Secretary.

[FR Doc.73-16736 Filed 8-10-73; 8:45 am]

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release Nos. 33-5414, 34-10317, AS-145]

PART 211—INTERPRETATIVE RELEASES RELATING TO ACCOUNTING MATTERS (ACCOUNTING SERIES RELEASES)

PART 231—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES ACT OF 1933 AND GENERAL RULES AND REGULATIONS THEREUNDER

PART 241—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES EXCHANGE ACT OF 1934 AND GENERAL RULES AND REGULATIONS THEREUNDER

Accounting for Catastrophe Reserves

On January 3, 1973 the Commission issued Accounting Series Release No. 134 [38 FR 1734] calling attention to the recent adoption by some property and casualty insurance companies of accounting policies providing for charges to income thereby creating a reserve for future catastrophe losses. It was noted that the matter was being considered by the American Institute of Certified Public Accountants and that definitive principles were expected to be announced in time for use in preparing 1973 annual financial statements. The Accounting Principles Board has now referred this matter to the Financial Accounting Standards Board and it is apparent that a definitive statement will not be available for use in 1973 financial statements.

The Commission continues to believe that alternative accounting principles for similar fact situations are undesirable. However, since active consideration of this matter is continuing and only a small number of companies have changed to the reserve method, it will continue to accept financial statements of insurance companies using the same method of accounting as they followed in their latest published financial statements provided the disclosure specified in Accounting Series Release No. 134 is made. No further changes of accounting policy for catastrophe losses should be made until a single method has been adopted by the Financial Accounting Standards Board.

By the Commission.

[SEAL] RONALD F. HUNT,
Secretary.

AUGUST 2, 1973.

[FR Doc.73-16688 Filed 8-10-73; 8:45 am]

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart D—Food Additives Permitted in Food for Human Consumption

ENDOSULFAN

A petition (FAP 2H2667) was filed by American Hoechst Corp., 11312 Hartland Street, North Hollywood, CA 91605, in accordance with provisions of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 348), proposing establishment of a food additive tolerance (21 CFR Part 121) of 35 parts per million for combined residues of the insecticide endosulfan (6,7,8,9,10,10-hexachloro-1,5,5a,6,9,9a-hexahydro-6,9-methano-2,4,3-benzodioxathiepin-3-oxide) and its metabolite endosulfan sulfate (6,7,8,9,10,10-hexachloro-1,5,5a,6,9,9a-hexahydro-6,9-methano-2,4,3-benzodioxathiepin-3-oxide) in or on dried tea resulting from application of the insecticide to growing tea.

Subsequently, the petitioner amended the petition by reducing the proposed tolerance to 24 parts per million (reflecting less than 0.1 part per million residues of the insecticide in beverage tea).

The Reorganization Plan No. 3 of 1970, published in the FEDERAL REGISTER of October 6, 1970 (35 FR 15623), transferred (effective December 2, 1970) to the Administrator of the Environmental Protection Agency the functions vested in the Secretary of Health, Education, and Welfare for establishing tolerances for pesticide chemicals under sections 406, 408, and 409 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 346, 346a, and 348). Pesticide tolerances for residues of endosulfan have been previously established.

Having evaluated the data in the petition and other relevant material, it is concluded that the tolerance should be established.

Therefore, pursuant to provisions of the act (sec. 409(c)(1), (4), 72 Stat. 1786; 21 U.S.C. 348(c)(1), (4)), the authority transferred to the Administrator of the Environmental Protection Agency (35 FR 15623), and the authority delegated by the Administrator to the Deputy Assistant Administrator for Pesticide Programs (36 FR 9038), Part 121 is amended by adding the following new section to Subpart D:

§ 121.1252 Endosulfan.

A tolerance of 24 parts per million is established for combined residues of the

insecticide endosulfan (6,7,8,9,10,10-hexachloro-1,5,5a,6,9,9a-hexahydro-6,9-methano-2,4,3-benzodioxathiepin-3-oxide) and its metabolite endosulfan sulfate (6,7,8,9,10,10-hexachloro-1,5,5a,6,9,9a-hexahydro-6,9-methano-2,4,3-benzodioxathiepin-3,3-dioxide) in or on dried tea (reflecting less than 0.1 part per million residues in beverage tea) resulting from application of the insecticide to growing tea.

Any person who will be adversely affected by the foregoing order may at any time on or before September 12, 1973, file with the Hearing Clerk, Environmental Protection Agency, Room 3902A, 4th & M Streets, SW., Waterside Mall, Washington, D.C. 20460, written objections thereto in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on August 13, 1973.

(Sec. 409(c)(1), (4), 72 Stat. 1786; 21 U.S.C. 348(c)(1), (4))

Dated: August 8, 1973.

HENRY J. KORP,
Deputy Assistant Administrator
for Pesticides Programs.

[FR Doc.73-16754 Filed 8-10-73; 8:45 am]

Title 40—Protection of Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER E—PESTICIDE PROGRAMS

PART 180—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Benzene Hexachloride

In response to a petition (PP 3F1374) submitted by Klein Bros., 1305 West Fremont Street, Stockton, CA 95201, a notice was published by the Environmental Protection Agency in the FEDERAL REGISTER of May 30, 1973 (38 FR 14175), proposing establishment of an interim tolerance of 1 part per million for residues of the insecticide BHC (benzene hexachloride) in or on dried lima beans from postharvest application in the Malagasy Republic. The tolerance was requested specifically to cover residues of

BHC in or on imported dried lima beans being detained by the Food and Drug Administration.

One comment was received from the District Attorney of the 18th Judicial District, Wichita, Kansas, asking (1) if the BHC applied in the Malagasy Republic was produced by American manufacturers, and (2) if any manufacturers of BHC joined in or initiated the request for a tolerance.

No requests for referral to an advisory committee were received. It is concluded that the proposal should be adopted.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(e), 68 Stat. 514; 21 U.S.C. 346a(e)), the authority transferred to the Administrator of the Environmental Protection Agency (35 FR 15623), and the authority delegated by the Administrator to the Deputy Assistant Administrator for Pesticide Programs (36 FR 9038), Part 180 is amended by adding the following new section to subpart C:

§ 180.319a BHC; interim tolerance for residues.

An interim tolerance of 1 part per million is established for residues of the insecticide BHC (benzene hexachloride) in or on the raw agricultural commodity dried lima beans imported from the Malagasy Republic. This interim tolerance expires December 31, 1973.

Any person who will be adversely affected by the foregoing order may at any time on or before September 12, 1973, file with the Hearing Clerk, Environmental Protection Agency, Room 3902A, 4th & M Streets, SW., Waterside Mall, Washington, D.C. 20460, written objections thereto in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on August 13, 1973.

(Sec. 408(e), 68 Stat. 514; 21 U.S.C. 346a(e))

Dated: August 8, 1973.

HENRY J. KORP,
Deputy Assistant Administrator
for Pesticides Programs.

[FR Doc.73-16750 Filed 8-10-73; 8:45 am]

Title 42—Public Health

CHAPTER I—PUBLIC HEALTH SERVICE,
DEPARTMENT OF HEALTH, EDUCA-
TION, AND WELFARESUBCHAPTER C—MEDICAL CARE AND
EXAMINATIONSPART 37—SPECIFICATIONS FOR MEDI-
CAL EXAMINATIONS OF UNDER-
GROUND COAL MINERSSecond Round of Chest Roentgenographic
Examinations*Correction*

In FR Doc. 73-15273 appearing at page 20076 in the issue of Friday, July 27, 1973, make the following changes:

1. In § 37.4(a) (8) the word "for" in the 8th line should read "and".
2. In § 37.20(a) the word "member" in the third line should read "miner".
3. In § 37.40(b) the word "mined" in the 6th line should read "miner".

Title 46—Shipping

CHAPTER I—COAST GUARD, DEPART-
MENT OF TRANSPORTATIONSUBCHAPTER Q—SPECIFICATIONS
[CGD 72 163 RC]

PART 160—LIFESAVING EQUIPMENT

Specification for Lifesaving Equipment;
Correction

In FR Doc. 73-5737, appearing at page 8117 in the March 28, 1973 issue of the FEDERAL REGISTER, the amendatory paragraph 29 appearing on page 8119 is corrected by changing in the second line the words "paragraph (d) to follow paragraph (c)" to read "paragraph (c) to follow paragraph (b)", and by changing in the amended § 160.050-1 the paragraph designated as "(d)" to read "(c)".

Dated: August 3, 1973.

C. R. BENDER,
Admiral, U.S. Coast Guard
Commandant.

[FR Doc. 73-16636 Filed 8-10-73; 8:45 am]

Proposed Rules

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

DEPARTMENT OF THE TREASURY

U.S. Customs Service

[19 CFR Part 174]

PROTESTS

Time for Review With Respect To Merchandise Excluded From Entry or Delivery

Notice is hereby given that under the authority of Revised Statute 251, as amended (19 U.S.C. 66), section 515, 46 Stat. 736, as amended (19 U.S.C. 1515), and section 624, 46 Stat. 759 (19 U.S.C. 1624), it is proposed to amend section 174.21 of the Customs Regulations (19 CFR 174.21) to provide for prompt disposition of protests with respect to merchandise excluded from entry or delivery under any provision of the Customs laws.

Representatives of importers and others have asserted that delays by the Bureau of Customs in acting on protests arising out of decisions by Customs to exclude merchandise from entry or delivery under any provision of the Customs laws have created substantial difficulties. It has been asserted that although judicial review in the Customs Court of actions on protests of decisions to exclude merchandise from entry or delivery is a theoretical possibility, it is one which does not afford an adequate remedy because of the delay which, under present practice, ensues before the protest is acted upon by Customs. There appears to be considerable merit in the position thus set forth. The proposed amendment would have no effect on protests to the extent that they relate to classification or value decisions by Customs for duty assessment purposes.

Accordingly, it is proposed to amend § 174.21 by designating the present text as paragraph (a) and adding a new paragraph (b), to read as follows:

§ 174.21 Time for review of protests.

(a) *In general.* Except as provided in paragraph (b) of this section, the district director shall review and act on a protest filed in accordance with section 514, Tariff Act of 1930, as amended (19 U.S.C. 1514), within 2 years from the date the protest was filed. If several timely filed protests are treated as part of a single protest pursuant to section 174.15, the 2-year period shall be deemed to run from the date the last such protest was filed in accordance with section 514, Tariff Act of 1930, as amended (19 U.S.C. 1514).

(b) *Protests relating to exclusion of merchandise.* If the protest relates to an administrative action involving exclusion

of merchandise from entry or delivery under any provision of the Customs laws, the district director shall review and act on a protest filed in accordance with section 514, Tariff Act of 1930, as amended (19 U.S.C. 1514), within 30 days from the date the protest was filed, unless the person filing the protest shall request an additional delay for the purpose of presenting evidence or argument with respect to the matters involved in the protest. In no event shall the district director (or the Commissioner of Customs or his designee if the protest is the subject of further review as provided for in §§ 174.25 and 174.26) delay action on the protest beyond 30 days, or such additional time period as may be agreed to by the person filing the protest. Any protest filed pursuant to this paragraph shall clearly so state on its face.

Prior to the adoption of this amendment, consideration will be given to any relevant data, views, or arguments which are submitted in writing to the Commissioner of Customs, Attention: Regulations Division, Washington, D.C. 20229, and received on or before September 12, 1973.

Written material or suggestions submitted will be available for public inspection in accordance with § 103.3(b) of the Customs Regulations (19 CFR 103.3(b)), at the Regulations Division, Bureau of Customs, Washington, D.C., during regular business hours.

[SEAL]

VERNON D. ACREE,
Commissioner of Customs.

Approved: July 31, 1973.

EDWARD L. MORGAN,
Assistant Secretary
of the Treasury.

[FR Doc. 73-16864 Filed 6-10-73; 8:45 am]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 52]

CANNED GRAPEFRUIT¹

Proposed United States Standards for Grades

Notice is hereby given that the United States Department of Agriculture is considering a revision of the United States Standards for Grades of Canned Grapefruit¹ (7 CFR 52.1141-52.1154). These grade standards are issued under the

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.

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 by producers, buyers, and consumers. Official grading services are also provided under this act upon request and upon payment of a fee to cover cost of such services.

All persons who desire to submit written views, data, or arguments for consideration in connection with the proposed revision should file the same in duplicate, not later than September 15, 1973 with the hearing clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250. All written submissions made pursuant to this notice will be available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27 (b)).

Statement of consideration leading to the proposed revision of the standard. The Florida Canners Association representing all of the processors of canned grapefruit has requested the U.S.D.A. to revise the current U.S. Standards for Grades of Canned Grapefruit to overcome problems associated with mechanized segmenting and filling operations.

The Department concludes that the proposed changes are consistent with good industry practice and serve the public interest in facilitating efficient processing of food products.

Changes proposed are as follows:

(1) Elimination of drained weight as a scoring factor of quality and adoption of new acceptance criteria for these weights. This is consistent with other U.S. standards since it is variable from container to container and is not necessarily related to quality.

(2) Lowering of the recommended minimum drained weight from 56% of the water capacity of the container to 53% for Grade A. This is equal to the FDA minimum fill of container and is the current minimum requirement for grade B.

(3) Lower the minimum percent of whole or almost whole segments in grade A from 75% to 65% of drained weight. In addition in grade B, relax the restriction on loose floating cells. These changes are to compensate for unavoidable increased breakage due to mechanized segmenting and filling operations.

Other changes proposed to be consistent with current practice in U.S. standards are as follows:

(4) Sirup designations of "Heavy Sirup" and "Heavily Sweetened Grape-

fruit Juice Sirup" added to the standards.

(5) Criteria for Brix determination—equalized (15 days after pack) or forced by comminuting.

(6) Fill of Container—each container be filled as full as practical without impairment of quality.

(7) Realignment of scorepoints to 25 points for each factor that is scored.

(8) Changing "Fairly Good Flavor" to "Reasonably Good Flavor"—grade B terminology.

(9) Presents "Allowance for Defects" in a tabular form.

Subpart—United States Standards for Grades of Canned Grapefruit

IDENTITY AND GRADES

Sec.
52.1141 Identity.
52.1142 Grades.

LIQUID MEDIA AND BRUX MEASUREMENTS

52.1143 Liquid media and brix measurements.

FILL OF CONTAINER

52.1144 Fill of container.

DRAINED WEIGHTS

52.1145 Minimum Drained weights.

SAMPLE UNIT SIZE

52.1146 Sample unit size.

FACTORS OF QUALITY

52.1147 Ascertaining the grade of a sample unit.

52.1148 Ascertaining the rating for the factors which are scored.

52.1149 Wholeness.

52.1150 Color.

52.1151 Defects.

52.1152 Character.

LOT INSPECTION AND CERTIFICATION

52.1153 Ascertaining the grade of a lot.

SCORE SHEET

52.1154 Score sheet for canned grapefruit.

AUTHORITY: Sec. 205, 60 Stat. 1090, as amended; 7 U.S.C. 1624.

IDENTITY AND GRADES

§ 52.1141 Identity.

"Canned Grapefruit" means the canned product prepared from clean, sound, and mature grapefruit (*Citrus paradisi* Macfadyen), as such product is defined in the standards of identity for canned grapefruit (21 CFR 27.90) issued pursuant to the Federal Food, Drug and Cosmetic Act.

§ 52.1142 Grades.

(a) "U.S. Grade A" (or "U.S. Fancy") is the quality of canned grapefruit that:

(1) Has a drained weight or average drained weight of not less than 53 percent of the water capacity of the container, of which not less than 65 percent by weight of the drained grapefruit consists of whole or practically whole segments;

(2) Has a good color;

(3) Is practically free from defects;

(4) Has a good character;

(5) Has a good flavor and odor; and

(6) Scores 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. Choice") is the quality of canned grapefruit that:

(1) Has a drained weight or average drained weight of not less than 53 percent of the water capacity of the container, of which not less than 50 percent by weight of the drained grapefruit consists of whole or practically whole segments (sample average);

(2) Has a reasonable good color;

(3) Is reasonably free from defects;

(4) Has a reasonably good character;

(5) Has a reasonably good flavor and odor; and

(6) Scores not less than 80 points when scored in accordance with the scoring system outlined in this subpart.

(c) "U.S. Broken" is the quality of canned grapefruit that:

(1) Has a drained weight or average drained weight of not less than 53 percent of the water capacity of the container, of which less than 50 percent by weight of the drained grapefruit consists of whole or practically whole segments (sample average);

(2) Has at least a reasonably good color;

(3) Is at least reasonably free from defects;

(4) Has at least a reasonably good character;

(5) Has at least a reasonably good flavor and odor; and

(6) Scores not less than 70 points when scored in accordance with the scoring system outlined in this subpart.

(d) "Substandard" is the quality of canned grapefruit that fails to meet the requirements of U.S. Grade B and U.S. Broken.

LIQUID MEDIA AND BRUX MEASUREMENTS

§ 52.1143 Liquid media and brix measurements.

(a) Brix measurement requirements for the liquid media in canned grapefruit are not incorporated in the grades of the finished product since sirup, or any other liquid medium, as such, is not a factor of quality for the purposes of these grades. The designation of liquid packing media and brix measurements, where applicable, are as follows:

Designation	Brix Measurements
Water	Not applicable
Grapefruit juice	Not applicable
Grapefruit juice and water.	Not applicable
Slightly sweetened water.	12° or more, but less than 16°
Slightly sweetened grapefruit juice	12° or more, but less than 16°
Sirup	16° or more, but less than 18°
Grapefruit juice sirup	16° or more, but less than 18°
Heavy sirup	18° or more
Heavily sweetened grapefruit juice sirup	18° or more

(b) The densities of the packing media, as listed in this section, are measured on the refractometer, expressed as percent by weight sucrose (degree Brix) with correction for temperature to the equivalent

at 20° C. (68° F), but without correction for invert sugars or other substances. The degrees Brix of the packing media may be determined by any other method which gives equivalent results.

(c) Brix determination is made on the packing media 15 days or more after the grapefruit is canned or on the blended homogenized slurry of the comminuted entire contents of the container if canned for less than 15 days.

FILL OF CONTAINER

§ 52.1144 Fill of container.

(a) The fill of container for canned grapefruit 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 filled as full as practicable with grapefruit without impairment of quality.

(b) Canned grapefruit shall also meet the fill of container requirements as set forth in the Regulations of Food and Drug Administration (21 CFR 27.92).

DRAINED WEIGHTS

§ 52.1145 Minimum drained weights.

(a) *General.* The minimum drained weight requirements for the various container sizes are listed in Table I. The drained weight of the grapefruit is not less than 53 percent of the water capacity of the container.

(b) *Definitions.* (1) Sample average—average of all the drained weights of the sample containers representing a lot.

(2) X_n —means a specified minimum sample average drained weight.

(3) LL—lower limit for individual container drained weight.

(c) *Method for ascertaining drained weight.* The drained weight of canned grapefruit 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 (2.3 mm), ± 3 percent square openings) so as to distribute the product evenly over the sieve. Without shifting the product, incline the sieve at an angle of 17° to 20° to facilitate drainage and allow to drain for 2 minutes. The weight of drained grapefruit is the weight of the sieve and product less the weight of the dry sieve. A sieve 8 inches in diameter is used if the contents of the container is less than 3 pounds and a sieve 12 inches in diameter is used if the contents of the container is 3 pounds or more.

(d) *Compliance with minimum drained weights.* A lot of canned grapefruit is considered as meeting the minimum drained weight requirement when the following criteria are met:

(1) The sample average meets the specified minimum sample average drained weight (designated as " X_n " in Table I); and

(2) The number of sample containers which fall to meet the minimum drained weight for individual containers (designated as "LL" in Table I) does not exceed the applicable acceptance number specified in Table II.

TABLE I—MINIMUM DRAINED WEIGHTS

Container Designation	LL		X ₄
	ounces	ounces	
52 (211 x 304).....	4.25	4.60	
No. 303 (303 x 406).....	8.50	8.95	
No. 3 Cyl. (404 x 709).....	26.30	27.40	

TABLE II—SINGLE SAMPLE PLANS AND ACCEPTANCE NUMBER

Sample Size (No. of sample containers).....	Acceptance numbers.....						
	3	6	13	21	29	38	48
60	0	1	2	3	4	5	6

SAMPLE UNIT SIZE

§ 52.1146 Sample unit size.

Compliance with requirements for factors of quality is based on a sample unit comprised of the entire contents of one container, irrespective of container size.

FACTORS OF QUALITY

§ 52.1147 Ascertaining the grade of a sample unit.

(a) *General.* The grade of a sample unit of canned grapefruit is ascertained by considering the factor of flavor and odor which is not scored; the ratings for the factors of wholeness, color, defects, and character which are scored; the total score; and the limiting rules which may be applicable.

(b) 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 each factor are:

Factors	Points
Wholeness.....	25
Color.....	25
Defects.....	25
Character.....	25

(c) *Definition.* (1) "Good flavor and odor" means that the product has a distinct and normal flavor and odor typical of canned grapefruit and is free from objectionable flavors and objectionable odors of any kind.

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

§ 52.1148 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, "23 to 25 points" means 23, 24, or 25 points.)

§ 52.1149 Wholeness.

(a) *General.* (1) A "whole segment" means any grapefruit segment that is substantially intact and retains its apparent original conformation.

(2) A "practically whole segment" means any portion of a grapefruit segment that is not less than 75 percent of its apparent original size and is not excessively trimmed.

(b) (A) *classification.* Sample units of canned grapefruit that consist of less than 65 percent but not less than 40 percent by weight of the drained grapefruit in whole and/or practically whole segments may be given a score of 21 to 25 points.

(c) (B) *classification.* Sample units of canned grapefruit that consists of less than 65 percent but not less than 40 percent by weight of the drained grapefruit in whole and/or practically whole segments may be given a score of 17 to 20 points. In addition the sample average (average of all sample units representing a lot) shall not be less than 50 percent by weight of whole and/or practically whole segments. Sample units of canned grapefruit that fall into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product. (This is a limiting rule.)

(d) (Broken) *classification.* Sample units of canned grapefruit that consists of less than 40 percent by weight of the drained grapefruit in whole and/or practically whole segments may be given a score of 0 to 16 points. Sample units of canned grapefruit that fall into this classification shall not be graded above U.S. Broken, regardless of the total score for the product. (This is a limiting rule.)

§ 52.1150 Color.

(a) (A) *classification.* Canned grapefruit that has a good color may be given a score of 23 to 25 points. "Good color" means a practically uniform, bright, typical color free from any noticeable tinge of amber.

(b) (B) *classification.* Canned grapefruit that has a reasonably good color may be given a score of 21 to 22 points. Canned grapefruit that falls into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product. (This is a limiting rule.) "Reasonably good color" means a fairly bright color which may be variable but is not off color for any reason.

(c) (SStd.) *classification.* Canned grapefruit that falls to meet the requirements in paragraph (b) of this section may be given a score of 0 to 20 points and shall not be graded above Substandard, regardless of the total score for the product. (This is a limiting rule.)

§ 52.1151 Defects.

(a) *General.* The factor of defects refers to the degree of freedom from extraneous vegetable material, from seeds, from portions of albedo, from portions of tough membrane, from damaged units, and from other similar defects.

(1) "Extraneous vegetable material" means leaves, portions of leaves, small pieces of peel, and other similar material that is harmless.

(2) "Seed" means any seed or any portion thereof, whether or not fully developed, that measures more than $\frac{1}{8}$ inch in any dimension.

(3) "Large seed" means any seed or any portion thereof, whether or not fully developed, that measures more than $\frac{3}{8}$ inch in any dimension.

(4) "Damaged unit" means any grapefruit segment or portion thereof that is damaged by lye peeling, by discoloration, or by similar injury or that is otherwise damaged to such an extent that the appearance or eating quality of the unit is materially affected.

(b) (A) *classification.* Canned grapefruit that is practically free from defects may be given a score of 23 to 25 points. "Practically free from defects" means that:

(1) All defects present, whether or not specifically defined or listed in this section, do not more than slightly affect the appearance or edibility of the product; and

(2) The defects that may be present in a sample unit and in the entire sample do not exceed the allowances specified in Table III.

(c) (B) *classification.* Canned grapefruit that is reasonably free from defects may be given a score of 21 to 22 points. Canned grapefruit that falls into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product. (This is a limiting rule.) "Reasonably free from defects" means that:

(1) All defects present, whether or not specifically defined or listed in this section, may materially, but not seriously, affect the appearance or edibility of the product; and

(2) The defects that may be present in a sample unit and in the entire sample do not exceed the allowances specified in Table IV.

(d) (SStd.) *classification.* Canned grapefruit that falls to meet the requirements of paragraph (c) of this section may be given a score of 0 to 20 points and shall not be graded above Substandard, regardless of the total score for the product. (This is a limiting rule.)

TABLE III—ALLOWANCES FOR DEFECTS IN CANNED GRAPEFRUIT

Defects	U.S. GRADE A					
	SZ (211X304)		No. 303 (303X406)		No. 3 Cyl. (404X700)	
	Sample Unit	Sample Average	Sample Unit	Sample Average	Sample Unit	Sample Average
	Maximum		Maximum		Maximum	
Extraneous Vegetable Material, Seeds and large seeds.	1 Piece.....	0.25 Piece.....	1 Piece.....	0.50 Piece.....	1 Piece.....	0.75 Piece.....
Albedo and Tough Membrane.	Total of 3 seeds including not more than 1 large seed.	1.6 seeds including not more than 0.4 large seed.	Total of 4 seeds including not more than 2 large seeds.	3.2 seeds including not more than 0.8 large seed.	Total of 10 seeds including not more than 3 large seeds.	5 Square inches.
Damaged Units.	1 Square inch.	1/2 Square inch.	2 Square inches.	1 Square inch.	5 Square inches.	4 Square inches.
Total—All Defects Specified Above and/or Any Other Defects That May Be Present.	1/2 ounce.....	Cumulative Effect—Does not	1/2 ounce.....	More Than Slightly Affect the Appearance of the Product.	1 1/2 ounces.....	Appearance or Eating Quality of the Product.

TABLE IV—ALLOWANCES FOR DEFECTS IN CANNED GRAPEFRUIT

Defects	U.S. GRADE B					
	SZ (211X304)		No. 303 (303X406)		No. 3 Cyl. (404X700)	
	Sample Unit	Sample Average	Sample Unit	Sample Average	Sample Unit	Sample Average
	Maximum		Maximum		Maximum	
Extraneous Vegetable Material, Seeds and Large Seeds.	2 Pieces.....	0.50 Piece.....	2 Pieces.....	0.75 Piece.....	2 Pieces.....	1 Piece.....
Albedo and Tough Membrane.	Total of 6 seeds including not more than 2 large seeds.	4.8 seeds including not more than 1.2 large seeds.	Total of 12 seeds including not more than 3 large seeds.	9.6 seeds including not more than 2.4 large seeds.	Total of 20 seeds including not more than 5 large seeds.	7 1/2 square inches.
Damaged Units.	1 1/2 square inches.	3/4 square inch.	3 square inches.	2 square inches.	7 1/2 square inches.	6 square inches.
Total—All defects Specified Above and/or Any Other Defects That May Be Present.	3/4 ounce.....	Cumulative Effect—May Materially, but not Seriously, Affect the Appearance of Eating Quality of the Product.	1 1/2 ounces.....	4 ounces.....	4 ounces.....	4 ounces.....

§ 52.1152 Character.

(a) *General.* The factor of character refers to the structure and condition of the cells of the grapefruit and reflects the maturity of the grapefruit.

(b) (A) *classification.* Canned grapefruit that has a good character may be given a score of 21 to 25 points. "Good character" means that the grapefruit segments are moderately firm and fleshy; that the segments or portions thereof possess a juicy, cellular structure free from dry cells, or "ricey" cells, or fibrous cells that materially affects the appearance or eating quality of the product.

(c) (B) *classification.* Canned grapefruit that has a reasonably good character may be given a score of 17 to 20 points. Canned grapefruit that falls into this classification shall not be graded above U.S. Grade B, regardless of the total score for the product. (This is a limiting rule.) "Reasonably good character" means that the grapefruit segments may be affected, but not seriously so, by dry cells, "ricey" cells or fibrous cells that detract from the appearance or eating quality of the product.

(d) (SStd.) *classification.* Canned

grapefruit that fails to meet the requirements of paragraph (c) of this section may be given a score of 0 to 16 points and shall not be graded above Substandard, regardless of the total score for the product. (This is a limiting rule.)

LOT INSPECTION AND CERTIFICATION

§ 52.1153 Ascertaining the grade of a lot.

The grade of a lot of canned grapefruit covered by these standards is determined by the procedures set forth in the Regulation Governing Inspection and Certification of Processed Fruits and Vegetables, Processed Products Thereof, and Certain Other Processed Food Products (§§ 52.1 through 52.87).

SCORE SHEET

§ 52.1154 Score sheet for canned grapefruit.

Size and kind of container
Container mark or identification
Label
Net weight (ounces)
Vacuum (inches)
Drained weight (ounces)
Brix measurement
Syrup designation

Factors	Score Points
Wholeness.....	25 (A)..... 21-25 (B)..... 17-20 (Broken)..... 10-16
Color.....	25 (A)..... 23-25 (B)..... 21-22 (Broken)..... 17-25 (SStd.)..... 10-20
Defects.....	25 (A)..... 23-25 (B)..... 21-22 (Broken)..... 17-25 (SStd.)..... 10-20
Character.....	25 (A)..... 23-25 (B)..... 21-22 (Broken)..... 17-25 (SStd.)..... 10-20
Total score.....	100
Flavor and odor.....	Good; Reasonably Good.....
Grade.....	

¹ Indicates Limiting Rule.

Dated: August 3, 1973.

JOHN C. BLUM,
Acting Administrator.

[FR Doc. 73-16508 Filed 8-10-73; 8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

[45 CFR Part 124]

FINANCIAL ASSISTANCE FOR DEMONSTRATION PROJECTS FOR REDUCING SCHOOL DROPOUTS

Notice of Proposed Rulemaking

In accordance with section 503 of the Education Amendments of 1972 (P.L. 92-318) and pursuant to the authority contained in the Dropout Prevention Program, title VIII, section 807, of the Elementary and Secondary Education Act as amended by title I of the Education Amendments of 1970, P.L. 91-230, 20 U.S.C. 887, the Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare, proposes to amend title 45, part 124 of the Code of Federal Regulations to read as set forth below. The Commissioner also proposes to establish guidelines for this program, which are set forth following the text of the proposed regulation.

1. *Program purpose.* The Dropout Prevention Program provides for a program of financial assistance to local educational agencies to carry out, in schools with a high percentage of students who are from families with an income which does not exceed a low-income factor and who do not complete their education in elementary or secondary school, innovative demonstration projects which show promise of reducing the number of such students.

2. *Section 503 procedures and effect.* Section 503 of the Education Amendments of 1972 requires the Commissioner to study all rules, regulations, guidelines, or other published interpretations or orders issued by him or by the Secretary after June 30, 1965, in connection with, or affecting the administration of Office of Education programs; to report to the

Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives concerning such study; and to publish in the FEDERAL REGISTER such rules, regulations, guidelines, interpretations, and orders, with an opportunity for public hearing on the matters so published. The regulations and guidelines proposed below reflect the results of this study as it pertains to the program under the Dropout Prevention Program. Upon publication of revised Part 124 in final form, after comments and hearing, all preceding rules, regulations, guidelines, and other published interpretations and orders issued in connection with or affecting Part 124 (as amended by the Office of Education general provisions regulation; see the notice of proposed rulemaking at 38 FR 10388) will be superseded effective thirty days after such publication.

3. *Effect of Office of Education general provisions regulation.* The proposed regulation differs from the current regulation in that provisions have been deleted relating to general fiscal and administrative matters which are presently covered in 45 CFR Part 124 and which will be covered in the future under the overall Office of Education general provisions regulation, published under notice of proposed rulemaking in the FEDERAL REGISTER at 38 FR 10386 (April 26, 1973), in connection with the same study under section 503 of the Education Amendments of 1972 of which this publication is a part. (Reference is made in particular to the provisions of proposed part 100a of Title 45 CFR, containing general provisions for direct assistance programs, which would be applicable to the Dropout Prevention Program.)

4. *Guidelines.* Guidelines for the program have not previously been published in the FEDERAL REGISTER. The guidelines proposed below essentially contain recommendations and suggestions for program management and operation and are designed to incorporate all materials covered by section 503 of the Education Amendments of 1972 not otherwise reflected in the regulation. When finally published in the FEDERAL REGISTER in accordance with section 503(d) the guidelines will be stated separately in the general notice section of the FEDERAL REGISTER.

5. *Citations of legal authority.* As required by section 431(a) of the General Education Provisions Act (20 U.S.C. 1232(a)) and section 503 of the Education Amendments of 1972, a citation of statutory or other legal authority for each section of the regulations and guidelines has been placed in parentheses on the line following the text of the section.

On occasion, a citation appears at the end of a subdivision of a section. In that case the citation applies to all material in that section above the citation. When the citation appears only at the end of the section it applies to the entire section.

6. *Opportunity for public hearing.* Pursuant to section 503(c) of the Education Amendments of 1972, the Commissioner will provide interested parties an opportunity for a public hearing on these regulations and guidelines, as follows:

A hearing will take place at the U.S. Office of Education on October 2, 1973 in the auditorium of Regional Office Building Three, 7th and D Streets, S.W., Washington, D.C. 20202, beginning at 10:00 a.m.

The purpose of the hearing is to receive comments and suggestions on the published materials.

Interested parties may also submit written comments and recommendations to Room 5717, Regional Office Building Three, 7th and D Streets, S.W., Washington, D.C. 20202, Attention: Chairman, Office of Education Task Force on Section 503. All relevant material received prior to the date of the hearing will be considered. Comments and suggestions submitted in writing will be available for review in the above office between the hours of 9 a.m. and 4:30 p.m., Monday through Friday of each week.

Parties interested in attending the hearing should notify the Office of Education at the above address, and are urged to submit a written copy of their comments with such notification. Each party planning to make oral comments at the hearing is urged to limit his presentation to a maximum of fifteen minutes.

(Catalog of Federal Domestic Assistance Program No. 13.410, Dropout Prevention)

Dated: July 5, 1973.

JOHN OTTINA,
Acting U.S. Commissioner
of Education.

Approved: August 3, 1973.

FRANK CARLUCCI,
Acting Secretary of Health,
Education, and Welfare.

PART 124—FINANCIAL ASSISTANCE FOR DEMONSTRATION PROJECTS FOR REDUCING THE NUMBER OF SCHOOL DROPOUTS

Subpart A—Scope; Definitions

Sec.

124.1 Scope.

124.2 Definitions.

Subpart B—Preapplication and Project Proposal Requirements

124.3 Preapplications.

124.4 Eligibility.

124.5 Project proposal requirements.

124.6 Adequacy of facilities.

Subpart C—Approval of Project Proposals

124.15 Criteria for evaluation of project proposals.

124.16 Dissemination of information.

AUTHORITY: Sec. 807, Pub. L. 89-10 as amended, 81 Stat. 806 (20 U.S.C. 887), unless otherwise noted.

Subpart A—Scope; Definitions

§ 124.1 Scope.

(a) Financial assistance may be provided under section 807 of the Act for the

carrying out of promising demonstration projects involving the use of innovative methods, systems, materials, or programs, designed to reduce the number of children who do not complete their education in elementary and secondary schools.

(20 U.S.C. 887(a))

(b) Assistance provided under this part is subject to applicable provisions contained in Subchapter A of this chapter (relating to fiscal, administrative, property management, and other matters).

(20 U.S.C. 887)

§ 124.2 Definitions.

As used in this part:

"Act" means the Elementary and Secondary Education Act of 1965, Public Law 89-10, as amended.

"Dropout" means a pupil who leaves elementary or secondary school, for any reason, before he graduates. The term designates those elementary and secondary school pupils who have been in membership during the regular school term and who withdraw from membership before graduating from secondary school (as defined in § 100.1 of this chapter) or before completing equivalent programs of studies. Such an individual is considered a dropout whether he leaves school during or between regular school terms, whether he leaves school before or after he has passed the compulsory school attendance age, and, where applicable, whether or not he has completed a minimum required amount of school work.

(20 U.S.C. 887)

"Local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as is recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(20 U.S.C. 881(f))

"Low-income factor" means an annual family income of \$4,000 (as defined in section 103(c) of the Elementary and Secondary Education Act of 1965, as amended).

(20 U.S.C. 887(a), 241c(e))

"State" includes, in addition to the 50 States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands. This term does not include the Trust Territory of the Pacific Islands.

(20 U.S.C. 887, 881(j))

"State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(20 U.S.C. 881(k))

Subpart B—Preapplication and Project Proposal Requirements

§ 124.3 Preapplications.

Prior to the preparation of a formal project proposal, each prospective applicant must submit a preapplication proposal to the U.S. Office of Education and to the appropriate State education agency. Office of Education personnel, State educational agency personnel, and outside consultants will evaluate the preapplication proposals. Each State educational agency will indicate to the Office of Education its approval or disapproval of the proposals submitted. Invitations and instructions to submit a formal proposal will be given to applicants whose pre-application proposals have received a favorable review based on the requirements and criteria set forth in §§ 124.5 and 124.15.

(20 U.S.C. 887(b))

§ 124.4 Eligibility.

Financial assistance under section 807 of the Act may be provided to a local educational agency with an approved pre-application proposal under § 123.3 only upon submission of an application for assistance which has been approved by the appropriate State educational agency.

(20 U.S.C. 887(b))

§ 124.5 Project proposal requirements.

Each project proposal shall describe the activities to be undertaken with funds made available under section 807 of the Act and shall contain information adequate to establish:

(a) That the project will be carried out in one or more elementary or secondary schools (1) which are located in urban or rural areas, (2) which have a high percentage of children from families with incomes not exceeding the low-income factor, and (3) which have a high percentage of those children who do not complete their education in elementary or secondary schools;

(b) (1) That the applicant has conducted a comprehensive needs assessment which includes an analysis of the reasons for the failure of those children in those schools to complete their elementary and secondary education, and (2) that the proposed project has been designed in the light of that assessment and shows promise of effectively reducing or eliminating the causes of that failure; and

(c) That effective procedures, including objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the proposed project; and

(d) That an independent review of this educational program evaluation will be made by qualified persons not associated with the applicant, for the purpose of verifying the results of that evaluation and of assessing the appropriateness of evaluation procedures used in determining the effectiveness of the program, and that copies of reports prepared as a result thereof shall be submitted to the Office of Education.

(20 U.S.C. 877(b))

§ 124.6 Adequacy of facilities.

Each project proposal shall describe the facilities to be made available for the project. If a project proposal provides for the leasing or remodeling of facilities, it must show why such a provision is necessary for the success of the project.

(20 U.S.C. 887)

Subpart C—Approval of Project Proposals

§ 124.15 Criteria for evaluation of project proposals.

In evaluating project proposals for the purpose of making awards under this part, the Commissioner will seek to identify a relatively small number of projects in areas of outstanding need and will give consideration to the following (in addition to the criteria set forth in § 100a.26(b) of this chapter):

(a) The extent to which the proposed innovative methods, systems, materials or programs show promise of reducing the number of children in the target school who do not complete their elementary and secondary school education;

(b) The extent to which the project is likely to result in the development of new materials and methods which will be of value in reducing the number of children who do not complete their elementary and second school education; and

(c) The percentage of children in the schools in which the project will be carried out who come from families with an income not exceeding the low income factor, and the percentage of those children who may not complete their elementary and secondary school education. Priority will be given to proposals where projects will be undertaken in schools in which:

(1) At least 40 percent of the children in average daily membership are from families with income not exceeding the low income factor; and

(2) At least 7 percent of those children annually are dropouts;

(d) (1) The adequacy of the applicant's analysis of the causes for the dropout problem in the schools proposed to be served, and the (2) adequacy of the design of the program intended to eliminate those causes;

(e) The extent to which the applicant has consulted with dropouts and potential dropouts and their families and with interested members of the community, and has sought their advice on the relevance of the proposed project;

(f) The extent to which the proposed project is exemplary;

(g) The adequacy of evidence that the proposed project will focus upon a limited number of schools intended to be served by assistance under this part so as to have a major impact on the problem of dropout prevention; and

(h) The degree of the applicant's awareness of other dropout prevention programs, research findings, or published materials of recognized experts.

(20 U.S.C. 887; H.R. Rept. No. 1049, 90th Cong. 1st Sess. 58 (1967); Sen. Rept. No. 726, 90th Cong. 1st Sess. 50-51 (1967).)

§ 124.16 Dissemination of information.

(a) The recipient shall provide for dissemination of (1) significant information developed as a result of those projects carried out under this part and (2) the recipient's evaluation of those projects. The cost of dissemination may be charged to the project to the extent authorized in the award document.

(b) The recipient must submit to the Office of Education (1) three copies of printed materials disseminated in connection with the project, including curriculum materials, newsletters, brochures, and other printed matter, and (2) one copy of any audiovisual materials produced in connection with the project, such as films, filmstrips, slides, and videotapes. All materials, together with a statement of the purpose and extent of distribution, shall be sent to the Office of Education.

(20 U.S.C. 887)

GUIDELINES

ELEMENTARY AND SECONDARY EDUCATION ACT

Title VIII

Section 807

FINANCIAL ASSISTANCE FOR DEMONSTRATION PROJECTS FOR REDUCING THE NUMBER OF SCHOOL DROPOUTS

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PART 1—INTRODUCTION

Sec. 1.1 Scope of guidelines.

(a) The guidelines contained in this document are recommendations and suggestions for meeting the legal requirements which apply to Federal assistance under the Elementary and Secondary Education Act, title VIII, section 807. The legal requirements include the Act itself (20 U.S.C. 887) and the regulations (45 CFR 124). The guidelines are not to be construed as requirements. However, where the guidelines set forth a permissible means of meeting a legal requirement, the guidelines may be relied upon.

(20 U.S.C. 887; 113 Cong. Rec. 5936, 5939 (daily ed. May 23, 1967); *United States v. Jefferson County Board of Education*, 372 F. 2d 836, 857 (1966))

(b) Where a guideline is issued in connection with or affecting a provision in the regulations, the pertinent regulation will be cited after the citation of legal authority for the guideline in the parentheses following the guideline. For example, if the legal authority for the guideline is Section 807(b) of the Act (20 U.S.C. 887(b)), and the guideline affects section 124.5(d) of the regulations (45 CFR 124.5(d)), the following citation will be placed on the line immediately following the guideline: (20 U.S.C. 887(b); 45 CFR 124.5 (b)). If no particular section of the regulations is affected, no citation to the Code of Federal Regulations (CFR) will be made.

(20 U.S.C. 1232(a))

Sec. 1.2 Purpose of the Act.

The Dropout Prevention Program, funded under title VIII of the Elementary and Secondary Education Act of 1965, as amended, is designed to foster the development of exemplary educational programs which show promise of reducing the number of children who do not complete their education in elementary and secondary schools. Since the program is for the development and demonstration of promising educational practices throughout the Nation, projects funded involve the use of innovative methods, systems, or materials in their efforts to reduce the dropout rate.

(20 U.S.C. 887(a); 45 CFR 124.1)

Sec. 1.3 Basic objectives.

(a) Because of the nature of the problem, comprehensiveness of approach should be an essential element in designing projects. No mere addition to the existing school program will be significant in keeping children in school; instead, the school district should consider introducing basic and widespread changes in its organization, curriculum offerings, pupil services, and teacher training. The thorough needs assessment required by 45 CFR 124.5(b) should assist the school district in determining what changes may be needed and the nature and extent of those changes.

(b) In approaching the problem in a comprehensive fashion, the school district should also recognize that children begin to drop out of school long before they reach the secondary level of education. Attention should be paid to the earlier levels of education, for the roots of the problem are often found at these educational levels.

(c) Concentration of resources should also be an essential element of the program. Sufficient human and financial resources should be utilized if dropout prevention efforts are to yield maximum impact in solving the problem. Moreover, human resources involved in any dropout prevention project should, to the extent practical, include representatives of all segments of the community, since the dropout problem should not be separated from the larger context of the community.

(d) Since the Dropout Prevention Program is designed to develop model programs which can be replicated and adapted in school systems across the Nation, emphasis is being placed on accountability for results by the local educational agency. The local educational agency should be answerable for both the educational accomplishments attributable to specific dropout prevention techniques and the cost effectiveness of instructional and management procedures involved in the project.

(20 U.S.C. 877; 45 CFR 124.5, 124.15)

PART 2—PROGRAM DESIGN

Sec. 2.1 Design of management systems.

(a) Since dropout prevention projects are comprehensive and may require large expenditures of funds, the local educational agency should be firmly committed to the development of an effective management system with an effective framework and methodology for planning, installing, operating, communicating and evaluating program activities. It is suggested that the project be viewed as a subsystem within the total school system, serving a defined target area and requiring identified resources from the local educational agency at specified points during the project's schedule of operation.

(b) In designing a management system, it is suggested that basic steps or actions, such as the following, be taken into account: (1) identify the problem, (2) analyze the problem, (3) consider alternate solutions, (4) determine strategy, (5) implement the project, and (6) evaluate the project.

(c) An important element in developing a management system is the selection of the project director, i.e., the educational manager, who should be experienced in acting for educational change, in stimulating people to get things done, in making decisions, in evaluating educational programs, and in using outside resources to strengthen the school's capability to solve educational problems.

(20 U.S.C. 887(b) (2))

Sec. 2.2 Planning and installation of system.

(a) *Planning.* After a needs assessment (Part 4) has been conducted and objectives have been established, the project director and project planners should determine what components and activities will be needed to attain the objectives of the project. Various management tools can help the project director plan a strategy and build an organization for an effective program. Some of the management tools currently used in business, industry, and education are Program Evaluation and Review Techniques (PERT), Critical Path Method (CPM), and Line of Balance (LOB). Charts showing work breakdown structures, work flow networks, staff-line relationships, time lines (with milestone events identified), and monthly rate of expenditures can help planners analyze all the constituent parts of a project. These management products also serve as an effective communication medium for all personnel involved in the planning process.

(b) *Installation.* The effective installation of a dropout prevention project depends in large measure on the quality of the planning. When planning is well done, the objectives, procedures, and management processes for meeting these objectives are clearly delineated. The project director's task then becomes that of installing and operating according to the specific plans, and of providing management decisions to keep the program moving toward its stated objectives on schedule and within cost projections. One of the critical tasks of the project director is staffing the positions provided for by the organization structure. Management activities include appraising and selecting candidates for positions and providing necessary training for personnel. Project directors should determine the policies and procedures they expect to follow for recruiting, selecting, training, and promoting the project staff members.

(20 U.S.C. 887(b) (2))

Sec. 2.3 Internal communication system.

The control of an operating program depends on timely relevant, and valid feedback of information so that problems can be readily identified, alternate solutions considered, and decisions made and implemented. Project directors should establish an effective internal communication system so that timely feedback information is reported by and to project staff, and regular school staff. The information feedback system should be a process by which information about past and present performances is used to influence future performance. The communication system should also be linked to procedures for utilizing the information.

(20 U.S.C. 887(b) (2))

Sec. 2.4 Evaluation design.

The project director should ensure that an adequate evaluation design has been developed for each project component and for the overall project and that provisions have been made for timely feedback of evaluation findings to appropriate personnel. An evaluation of the project is useful in determining how well each component and the entire project function within the established framework or time, cost, and performance objectives. The evaluation design should provide a basis for a cost effectiveness analysis of the project. For example, the design should provide for data to be collected for the calculation of total participant costs for such component, including the pro-rata or proportionate administrative costs applied to the components; the calculation of average participant costs; and the comparison of component and project participant costs with achievement gains.

(20 U.S.C. 887(b) (3); 45 CFR 124.5(c))

PART 3—COMMUNITY PARTICIPATION

Sec. 3.1 Community representation.

The Office of Education suggests that representatives of all segments of the community be involved in the development and operation of projects, with special consideration being given to plans for the participation of dropouts and students. The Dropout Prevention Program is uniquely suited to providing new opportunities for youth to have a voice in planning, implementing, and evaluating the experiences and programs in which they participate. Encouraging youth to originate and carry out ideas for increasing their role and participation in school and community activities and giving them opportunities to share responsibility with adults and to work with their peers and adults in

a variety of relationships may encourage students to remain in school.

(20 U.S.C. 887(b) (2); 45 CFR 124.15(e))

Sec. 3.2 Student involvement.

(a) Since it is well established that a major factor cited by students for their withdrawal from school is disinterest in a curriculum which they view as boring and irrelevant, almost all dropout prevention programs tend to focus on curriculum modification. Efforts to restructure curriculum focus on both content and methodology, and these range from the redesign of existing courses and traditional subjects to the introduction of entirely new curriculum areas. Among some of the more promising recent curriculum efforts are those in which students have had a major voice and have occupied a joint role as both the objects and the agents of an improved instructional program. In some instances, students are serving as advisers to teachers and department heads responsible for curriculum revision; while in others, working closely with teachers as resource persons, students themselves have developed and conducted complete courses, selected the materials and instructors, and arranged for speakers and outside consultants to assist them.

(b) Student advisory roles to school faculties, administrators, and boards of education are also being developed and are giving students a greater understanding of the complexities of school operations and the opportunity to identify, study, and discuss school problems, make recommendations, and help to implement solutions. As part of their responsibilities, such youth advisers may report their activities through various school media and help to create a better informed and more concerned student body.

(c) Additional opportunities for student participation in school and community-related experiences can be provided through work-study programs, a prominent feature of many dropout prevention projects. In addition to local businesses and industries, project planners should consider community agencies, municipal government offices, and the schools themselves as potential placement sources for student training, work experience, and part-time paid positions. Within the schools, students might serve as classroom and library aides, tutors to other students, assistants in the operation of school stores and after-school and evening study or recreation centers, and apprentices in the building maintenance, food, clerical and audiovisual supportive services.

(20 U.S.C. 887(b) (2); 45 CFR 124.15(e))

Sec. 3.3 Involvement of parents and other community residents.

(a) Parents and other residents of the community should similarly be given opportunities for program participation. Many of the roles suggested for students—participating in curriculum development, serving as advisers and consultants to teachers, administrators, and school boards, and disseminating their activities to the community—are equally appropriate for adults, while other activities are suited uniquely to the interests and resources of parents and other residents.

(b) Interaction between parents and project staff—in home, classrooms, and elsewhere—can help parents learn how they may best support and influence the dropout prevention effort and on their own, reinforce the goals of the program. Such interaction, accomplished through home visits, orientation sessions, workshops, and other methods assists the project staff in becoming more responsive to the needs and goals of the parents and community and in becoming better

able to translate their goals into project activities.

(c) Instructional activities should be open to parent observers at reasonable and convenient times, and parents should be encouraged to observe classes periodically during the school year. Parental involvement might also take the form of educational programs designed to familiarize parents with the school curriculum or with specific project activities and to instruct them in the use of materials and techniques by which they might supplement and reinforce their children's classroom instruction at home.

(20 U.S.C. 887(b) (2); 45 CFR 124.15(e))

PART 4—NEEDS ASSESSMENT

Sec. 4.1 Purpose of needs assessment.

(a) A significant step in the development of a comprehensive dropout prevention project should be the efforts of the school district to assess the nature and scope of its local dropout problem and to analyze thoroughly the reasons why students drop out of schools within the district. In addition to providing project planners with the information necessary to establish priorities for the dropout prevention project on a sound basis, an adequate assessment of local needs will have long-range value and will yield information useful to the system in any future planning for both locally and federally sponsored programs.

(b) The assessment of needs should be a continuing process during the several stages of the planning and operation of a project. Since a major section of the preliminary proposal must be devoted to a discussion of the local dropout problem and the methods by which it has been analyzed, an initial assessment of needs should be completed prior to the submission of the preliminary proposal. In those districts selected to develop a formal proposal, further examination and interpretation of existing information and appropriate additional studies or surveys concerning school dropouts quite likely will be among the major activities of the planning group during the developmental period. If the project is funded, at least an annual reexamination of local needs is suggested as an aid to project personnel in determining appropriate program modifications.

(20 U.S.C. 887(b) (2); 45 CFR 124.5(b), 124.15(d))

Sec. 4.2 Analyzing local needs.

The following questions are suggestions for developing an analysis of local needs:

(a) By grade level, how many students drop out of school in the district each year? What are the grade levels at which the highest dropout rate occurs? Which schools have the highest dropout rates?

(b) What is the current status of the district's information about its school dropout problem and how adequate is the dropout information system?

(c) What are the characteristics of those students who drop out of school?

(d) What happens to the students who drop out of school, both on a short-term and on a long-range basis?

(e) What are the reasons for students dropping out of school, as perceived by a wide variety of groups both within and outside of the schools? Such groups should include teachers, administrators, parents, community and agency representatives, former dropouts, potential dropouts, and students satisfied with the schools.

(f) Which students are likely to drop out of school and what procedures are used to identify those students?

(g) What are the program priorities best designed to meet the needs of those students

identified as potential dropouts, as suggested and agreed upon by groups both within and outside of the schools?

(h) What are the implications of the title VIII needs assessment for the entire school system?

(20 U.S.C. 887(b) (2); 45 CFR 124.5(b), 124.15(d))

Sec. 4.3 Related resources.

Several resources will be valuable to the project planners in carrying out their work. One of the first tasks might be an examination of several of the studies available concerning the national dropout problem, which include profiles of the typical school dropout and analyses of the reasons for withdrawal from school. Although the instruments used in individual studies vary greatly and although it is unlikely that any single study or combination of studies will include all of the variables of any local situation other than the one studied, the use of such research may assist the planners in the identification of critical factors to be investigated and may suggest possible instruments and assessment designs which can be adapted for local use. An excellent source of research and information related to the dropout problem is the Educational Research Information Center (ERIC), a nationwide, comprehensive information system through which materials are available at low cost. Information concerning the ERIC system can be obtained by writing to the Central ERIC, National Institute of Education, Reporters Building, Room 405, 7th and D Streets, SW, Washington, D.C. 20202.

(20 U.S.C. 887(b) (2); 45 CFR 124.15(h))

Sec. 4.4 Local studies.

Along with their study of the research and literature on the national dropout problem, the project planners should review the currently available information on the local situation. The status of local needs assessments will, of course, vary substantially in individual districts. Some districts already have adequate data and studies which, with some updating and expansion, can serve as the basis for planning a dropout prevention project. Other districts may have adequate statistical data on the numbers and rate of school dropouts over the past several years, but they may lack information concerning the reasons why students drop out of school or other important information related to the local problem. For these districts, a survey sample may provide valuable insights into the nature of otherwise unavailable information.

(20 U.S.C. 887(b) (2); 45 CFR 124.15(h))

PART 5—TECHNICAL ASSISTANCE

Sec. 5.1 Use of technical assistance.

Technical assistance is the use of resources outside the local educational agency in planning, developing, managing, evaluating, disseminating, and conducting an educational audit of dropout prevention programs. The purpose of outside technical assistance is to help the local educational agency strengthen its capabilities to achieve the performance objectives of the dropout prevention project.

(20 U.S.C. 887(b))

Sec. 5.2 Resources for technical assistance.

Outside technical assistance may be provided by (a) industry, (b) business, (c) labor, (d) private and nonprivate organizations, (e) colleges and universities, (f) services clubs, (g) community action groups, (h) regional education laboratories, (i) research and development centers, (j) State educa-

tional agencies, (k) other local educational agencies, (l) the U.S. Office of Education, (m) other Federal agencies, (n) employment bureaus, and (o) other groups or organizations with the needed expertise. Because of their familiarity with improved techniques of management and quality control, business and industrial resources may be particularly helpful to local educational agencies in improving their program management operations.

(20 U.S.C. 887(b))

Sec. 5.3 Selecting technical assistance.

Local educational agencies should ensure that any technical assistance obtained is furnished by reputable organizations. For example, program planners might examine the capabilities of the prospective technical assistance groups in terms of the following:

(a) Experience and evidence of acceptable performance in problem areas and tasks similar to those specified by the local educational agency;

(b) Evidence of staff expertise in the job area (Resumes should provide specific information concerning the background and experiences of personnel assigned to the contract work. The technical assistance agency should indicate the availability of these personnel, giving evidence of staff stability, reputation, and performance which would tend to insure successful completion of the contract terms and conditions.); and

(c) Evidence of cost effectiveness in terms of the end products and services provided.

(20 U.S.C. 887(b))

PART 6—MEASURABLE PERFORMANCE OBJECTIVES

Sec. 6.1 Identification of objectives.

Project accomplishments rest heavily on the degree to which accomplishments can be validly measured by systematic methods such as standardized tests and questionnaires, teacher-made tests, rating techniques and observational procedures. However, the adequacy of the measurement process in turn depends upon project planners' skill in determining and framing measurable project objectives, i.e., immediate or long-range goals which can be stated in terms of products, performance criteria, indices of change or progress, or other operational accomplishments. Too often, these objectives are described in loose, general language with the result that their meaning is subject to a variety of interpretations. A clear statement of objectives identifying specific types of performances to be measured is, therefore, an important task facing project planners.

(20 U.S.C. 887(b) (6); 45 CFR 124.5(c))

Sec. 6.2 Types of measurable performance objectives.

Performance objectives in an educational program are precise statements of anticipated project goals in terms of behaviors, outcomes, or material items which can be validly measured. For purposes of project planning under Section 807 of the Act, performance objectives are significant for three distinct areas of program design—*product outcomes*, *instructional or operational processes*, and *management processes*. Product refers to a behavior—cognitive, affective, or psychomotor—or to a materials item such as a curriculum guide or a list of available vocational opportunities for a work-study program. Process is the means by which a product or series of products is obtained.

(20 U.S.C. 887(b) (3); 45 CFR 124.5(c))

Sec. 6.3 Elements for defining objectives.

(a) In approaching the development of performance objectives, it is recommended that program planners consider the following types of elements in order to have an adequately defined measurable performance objective.

(1) *Identification of the individual or group that will perform the desired behavior.* For example, the objective of "developing questionnaires, survey techniques, and interview procedures for identifying potential dropouts" is an incomplete statement, since the individuals responsible for the development of the end products are not specified.

(2) *Identification of the behavior to be demonstrated or product to be developed.* The behavior should be described as precisely as possible as an action or a product that can be observed. An objective such as "a student will understand the importance of education for his future success in life" would not meet this criterion. The word "understand" may convey a variety of meanings to those assigned the task of evaluating whether the objective was achieved. Other indefinite "behavior" terms include expressions such as "knowing," "appreciating," "thinking," "enjoying," and "grasping the value of." Unlike these expressions, objectives stating a clear form of externalized action are not subject to such an array of interpretations. Such actions might be "writing," "listing," "constructing," "reading," or "attending." A third category of possibilities lies somewhere in the middle. Such words as "demonstrating," "participating," or "utilizing," are visible forms of behavior, but they may mean different things to different observers. More rigor could be applied to a definition of behavior by indication of the unit measure. Does "participating", for example, mean commenting or asking questions during discussions or attending extracurricular activity sessions?

(3) *Identification of the primary conditions under which the performance is expected to be measured.* Conditions might include restrictions placed upon the project participant during the performance of specified behaviors, such as a time imposed on a student in a test-taking situation. Conversely, conditions might refer to supporting services which would be available as resources to assist in the attainment of the anticipated behavior or product. Programmed materials and a teacher aide in a regular classroom setting might be identified as pertinent resources or "given" during an observation of teacher performance. Since every measurement situation will be composed of a variety of conditional factors, objectives should specify those which are unique or of particular significance.

(4) *Identification of the minimum level of acceptable performance.* This step can be critical because it poses many problems for planners. Not only is there an element of risk involved in predicting what a program will accomplish, but there is need for considerable care in establishing the performance standard through an analysis of past experience or research data, and determining and collecting baseline data (data on existing status of performance or programs). Without adequate baseline data, predictions become trial-and-error guesswork.

(5) *Identification of the means or instrument which will be used to measure the expected performance or terminal behavior.* This element is closely related to paragraph (a) (4). Since, if the minimum level of acceptable performance is a statistically significant improvement of student skills in an

academic skill area, i.e., a specified number of correct answers to test questions, the instrument of measurement would be the particular test used. Likewise, if a demonstration of skill acquisition by a teacher is indicated by her attainment of 20 points out of a total of 30 on a rating scale, the means for accomplishing the measurement could be a videotape viewed by a panel of teachers utilizing the rating scale.

(b) (1) The process of defining performance objectives and instruments to measure the attainment of these objectives can present certain difficulties to project planners.

(2) Project planners should follow the findings of the comprehensive needs assessment closely in determining priorities among possible objectives. The need for changes in what is termed the "affective domain" is likely to be one source of difficulty. For example, if the needs assessment reveals that dropout-prone students perceive teachers to be insensitive to their problems, project planners might find it difficult to construct adequate performance objectives for their efforts to change this perception. However, the existence of problems in the measurement of affective changes should not lead to avoidance or postponement of the problem. The unfortunate result would be inadequate use of needs assessment data and, in all probability, undue emphasis upon more mechanistic, easily designed program objectives. Moreover, the interplay between cognitive and affective factors makes it desirable that project planners wrestle with the problem. Motivational forces might well interact with program treatments to bring about a cognitive behavioral change on the part of dropout-prone students. These changes merit attention as a product outcome as much as a score on a standardized achievement test, particularly in determining conditions necessary for project replication in other situations.

(3) Project planners should also insure that all target groups participating in the program are included in the statement of performance objectives. In too many instances, there is a tendency for planners to develop objectives only for target student groups. However, a dropout prevention program, in order to be comprehensive, should not be focused exclusively on students. Teachers, administrators, and community residents are often the recipients of program treatment or activities, and changes in their performance are, therefore, appropriate goals for program planners' consideration.

(20 U.S.C. 887(b) (3); 45 CFR 124.5(c))

Sec. 6.4 Development of objectives.

In order to assist the project manager in developing adequate measurable performance objectives, the following questions relating to each of the basic management functions have been included as suggestions for eliciting the type of information that will be useful in this task.

(a) *Planning and organizing.* (1) Was the needs assessment conducted by a broadly based planning group which provided a variety of perspectives on the problem?

(2) Were individuals and groups to be affected by the project's operation involved in the planning of activities which will affect them?

(3) Are the needs assessment data reflected in the project priorities and component activities?

(4) Were alternative approaches to meeting specified needs considered?

(5) Were special efforts made to gain the support of individuals or groups whose anticipated reaction to the program is negative or neutral?

(6) Were performance objectives for both product outcomes and operational processes established for each component?

(7) Were work breakdown structures and work flow networks developed for each component and the entire project?

(8) Were the needs for technical assistance identified and the appropriate services secured and utilized?

(9) Were alternative resources identified in the event that selected contractors, consultants, or suppliers did not provide services according to specifications?

(b) *Installing and operating.* (1) Did important prerequisite actions such as staff training take place before component activities were initiated?

(2) Were all staff positions filled in time for program operation to begin as planned and on schedule?

(3) Were student selection and scheduling procedures completed so that students were ready to enter program activities on the target date?

(4) Were the services and products of contractors provided according to specifications so that component activities could begin as planned?

(5) Were the facilities readied for operation on schedule and were the equipment and materials available to the project staff when needed?

(6) Was sufficient authority delegated so that project staff could carry out its responsibilities effectively?

(7) Did the project director have the decision-making authority necessary to carry out program plans and did he exercise his authority effectively?

(8) When performance deficiencies were noted, did the project director take prompt and decisive corrective action?

(9) Did the project director receive the needed support of services, personnel, and leadership from within the school system, and did he effectively utilize available resources?

(10) Were staff positions developed and assigned so that the workload was allocated reasonably?

(c) *Communicating.* (1) Did program staff provide the director with timely information on problems so that solutions could be developed and implemented as quickly as possible?

(2) Did the staff organizational pattern facilitate communication (i) among the project staff, (ii) between staff and school system administration, and (iii) between project staff and the community groups?

(3) Did the project director consult with those to be affected by a change in the program plan and allow for feedback and further modification before the revised plan was implemented?

(4) Were the types of media selected for communication purposes determined by the type of information to be presented and the specific target audience?

(5) Did the communication system provide a mechanism for the continuous flow of ideas and suggestions from those involved with and concerned about the project to the project director?

(6) Was a mechanism established for the periodic review and dissemination of information about the status of the project?

(d) *Evaluating.* (1) Was technical assistance utilized effectively in the development of evaluation procedures when identified areas of weakness existed?

(2) Were the evaluation responsibilities clearly assigned?

(3) Were evaluation techniques and instruments determined as an integral part of the performance objective development process?

(4) Were the baseline data secured prior to the initiation of program activities which might affect the validity of evaluation data?

(5) Were the evaluation procedures coordinated with the program verification process?

(6) Were the evaluation findings utilized appropriately by the project staff in adjusting or modifying program operations to correct problems?

(20 U.S.C. 887(b)(3); 45 CFR 124.5(c))

PART 7—COMPREHENSIVE EVALUATION DESIGN

Sec. 7.1 Purpose.

(a) A comprehensive evaluation design through which the school system can assess the degree to which the project objectives have been achieved is an integral part of the overall program design. (See section 124.5(c) of the regulations.) The purpose of the evaluation is to determine how well each component and the entire project function within the established framework of time, cost, and objectives. If well planned and operated, the evaluation system should result in information which communicates clearly whether the standards of performance specified in the objectives have been met to a degree greater than, equal to, or less than the predetermined standards and why. The task of designing the evaluation plan is both complex and multifaceted. Each component and the total project involves the evaluation of product, operational process, and management process goals.

(b) As one of his primary management responsibilities, the project director oversees the design and implementation of the evaluation plan. Many districts may find it necessary to hire consultants or to seek the help of an outside technical assistance group for the planning, installation, or operation of the evaluation system, particularly if the program requires newly developed instruments or techniques.

(20 U.S.C. 887(b)(3))

Sec. 7.2 Components.

The evaluation design (briefly discussed in section 2.4) to be presented in the formal application should include at least the following components. Although the following suggestions are not comprehensive, they may serve as a general guide for the description of each component.

(a) *Performance to be measured.* (1) The formation of the evaluation design is inextricably linked to the development of performance objectives. (Part 6) If performance objectives are developed both for product outcomes and for operational and management processes, a major part of the task will be accomplished, since the expected behaviors, the measurement instruments, the conditions of measurement, and the minimum levels of acceptable performance should be specified within these objectives.

(2) Following a careful review of the objectives to verify that each one contains the basic elements (section 6.3), those responsible for designing the evaluation should assist the project planners in strengthening any objectives which require greater specificity, refinement, or the addition of omitted elements.

(b) *Measurement instruments and techniques.* (1) The evaluation instrument for each objective should be identified and described briefly. Standardized tests, questionnaires, rating scales, interviews, observation schedules, and interest inventories may be among the instruments selected. It is recommended that the instruments be matched as closely as possible to the objectives and that the validity and reliability of each instrument be ascertained prior to its use. If new instruments are to be developed, a plan for

their design and pretesting should be included.

(2) (i) Since the validity of the evaluation process may be affected if the appropriate prerequisite data on the target population are not secured or available at the beginning of the program, baseline data on ability and achievement levels, socio-economic status, attitudes, and other characteristics of project participants may be needed in many cases for accurate measurement of the attainment of project performance objectives.

(ii) The process of establishing baseline data is a task of some magnitude and requires skill on the part of project planners. Questions of appropriateness of objectives, timeliness of collection, sensitivity or responsiveness to short-term change, reliability and objectivity of data, and comparability of data-gathering situations are some of the considerations which program planners may take into account as they formulate their evaluation designs.

(3) In the case of process evaluation, program planners should consider various approaches toward establishing a standard against which operational and management processes can be measured. For example, (i) Does the process exist? (ii) Is the process the most effective one known as compared with the best practice, determined by recognized authorities? (iii) Is the process more effective than similar processes used in other school system projects or operations?

(4) The evaluation techniques should also be described clearly. Those who design the evaluation should determine whether traditional pretest and post-test techniques may be used to measure some of the objectives, for example, and if so, on what basis the scores and ratings will be evaluated.

(c) *Data collection procedures.* It is suggested that the plan for the collection of evaluation data should cover the appropriate budget period and should include the complete evaluation schedule, the target populations to be measured, those responsible for arranging and administering the measurements, and any conditions of measurement not specified in the objectives. Procedures for the selection and training of testers, observers, or interviewers should be described. Charts and diagrams may prove to be helpful tools in the planning and organization of data collection procedures and in the coordination of these procedures with the plans for periodic reviews of the data by the independent educational accomplishment auditor.

(20 U.S.C. 887(b)(3); 45 CFR 124.5(c))

PART 8—Educational Program Verification

Sec. 8.1 Purpose.

An educational program verification is an external evaluation by qualified outside technical personnel who are not directly involved in the planning or operation of the project. The verification is designed (a) to verify the results of the evaluation of an educational program and (b) to assess the appropriateness of evaluation procedures for determining the effectiveness of program procedures. Assuming that the evaluation is complete, relevant, and valid and that it includes procedures for assessing product, process, and program management, an educational verification should provide an added measure of objectivity for the conclusions reached through the evaluation process, and may also identify weaknesses in the evaluation procedures and offer ideas for correcting such weaknesses in succeeding phases of the project.

(20 U.S.C. 887(b)(3); 45 CFR 124.5(d))

Sec. 8.2 Suggested procedures.

(a) *Program examiners.* Soon after a pre-application proposal is selected for further

development, the applicant should contact and establish liaison with one or more prospective educational program examiners. When the district has tentatively selected an examiner, arrangements should be made for services to be provided by him during the developmental period. If the local educational agency has been awarded a developmental grant, some of the funds from this grant can be used to pay for the services of an examiner on a consultant basis.

(b) *Preliminary procedures.* (1) As one of the first of his activities during the developmental period, the examiner should familiarize himself thoroughly with the intent and policies of the dropout prevention program and with the proposed objectives and project activities which the applicant presented in the preapplication proposal. The local district should provide all pertinent documents to the examiner early in the developmental period.

(2) (1) A major function of the examiner during this developmental period is his conduct of an examination of the proposed evaluation system to determine whether it provides a basis for an adequate educational verification of the project. The examiner should determine, for example, whether the baseline data, the types of instruments to be used, and the quantity of evaluation data to be collected are adequate and whether instruments and procedures are included for the evaluation of product, operational process, and management process objectives.

(2) While the examination is being conducted, the outside examiner should work closely with the prospective project evaluator as well as with the planning director and his staff. The examiner should be given draft materials for the formal proposal as they are developed and copies of specific evaluation instruments as they are selected or designed. In making his critique of the proposed evaluation design, the examiner must be careful to maintain objectivity and detachment, lest he later find himself in the position of auditing his own work. Designing and modifying the evaluation system is not his function.

(3) The verification plan and a performance contract for the operational period also should be developed during the developmental period.

(c) *Evaluation of documents.* (1) Throughout the project period, the local school district should provide the examiner with project evaluation documents at scheduled times. Prior to his onsite visits, the examiner needs adequate time for a detailed analysis of the evaluation documents, the formulation of questions to be raised with the project director and the evaluator, and the determination of the specific sampling to be conducted during the visit. In turn, the local educational agency will generally need time to arrange and confirm with the examiner his onsite visit schedule. Since it is obvious that the examiner cannot possibly examine all of the project evaluative data, he will need to work largely from tabulations, data analyses, and written interpretations and summaries of the evaluation made available to him by the local educational agency during the project period.

(2) In addition to providing the examiner with the evaluation reports, the local educational agency should submit to him a description of the data analysis techniques and procedures used by the project evaluator, any recommendations for revisions of the evaluation design which have been proposed as a result of a particular phase of the evaluation cycle, and any recommendations for program modifications which have been suggested as a result of the evaluation.

(d) *Onsite visits.* (1) The examiner's review of the written documents prior to his

visit will establish a framework for the scope and emphases of his onsite work, which may consist largely of spot checking and sampling what has been reported in the documents. The critique of the evaluation reports is an important preliminary activity, but it is through the onsite visits that the examiner can actually verify the results of the evaluation and assess the appropriateness of the evaluation procedures.

(2) Before concluding his onsite visit, the examiner should discuss any major discrepancy findings with the local educational agency, so that procedures for their correction and for appropriate follow-up activities by the examiner can be established as soon as possible. If, for example, some phase of the evaluation had not been completed on schedule and; therefore, could not be verified, the examiner might plan to verify that phase at a later date; or if the procedures for some phase of the evaluation are to be modified substantially, a reexamination of that phase might be appropriate at some time prior to the next regularly scheduled complete verification.

(e) *Reports.* (1) The major task of the examiner after he completes his onsite visit is the preparation of verification reports, which should include his comments, critiques and recommendations with regard to the project evaluation.

(2) It is recommended that an interim and a final report be written initially as draft documents, to be presented to and discussed with the local educational agency prior to formal submission to the appropriate local personnel and in turn to the Office of Education. Provision for a meeting to discuss the draft audit report would enable both the examiner and the local educational agency to raise final questions concerning its content, accuracy, and completeness. The meeting can serve as the occasion for a review of the entire educational program verification process and the degree to which both have fulfilled their responsibilities.

(20 U.S.C. 887(b)(3); 45 CFR 124.5(d))

PART 9—DISSEMINATION

Sec. 9.1 Purpose.

An effective dissemination program is vital to the success of the Dropout Prevention Program and to the success of each project. Since the Dropout Prevention Program is a demonstration program which seeks to develop models that can be emulated and adapted across the Nation, it is important that validated information about these projects be widely disseminated. The educational community should be made aware of these projects and their progress so that successful approaches and solutions can be shared, mistakes avoided, and cooperative efforts stimulated. The general public should also be made aware of these efforts to find solutions to the school dropout problem, since public understanding of the project and support for it are essential to its continuation and expansion.

(20 U.S.C. 887(a); 45 CFR 124.16)

[FR Doc. 73-16662 Filed 8-10-73; 8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 73-CE-14]

CONTROL ZONES AND TRANSITION AREA Proposed Alteration

The Federal Aviation Administration is considering amending Part 71 of the

Federal Aviation Regulations so as to alter the Kansas City, Missouri (International Airport) and Kansas City, Missouri control zones and the Kansas City, Missouri transition area.

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 on or before September 12, 1973, 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 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.

With the opening of the Kansas City, Missouri International Airport, air carrier operations have shifted from the Kansas City Municipal Airport to the new facility. As a result, it is necessary to alter controlled air space surrounding Kansas City International Airport to protect aircraft operating in accordance with instrument flight rule flight plans. Also, the shift in air carrier operations has resulted in reduced control zone size requirements for the Kansas City Municipal Airport and increased the size requirements of the Kansas City International control zone. Accordingly, action is taken herein to reflect these changes.

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

In § 71.171 (38 FR 351), the following control zones are amended to read:

KANSAS CITY, MISSOURI (INTERNATIONAL AIRPORT)

Within a 5 mile radius of the Kansas City International Airport (latitude 39°18'05" N, longitude 94°43'37" W) and within 2 miles either side of the Rwy 9 ILS Localizer West Course extending from the 5 mile radius zone to the Rondell OM; and within 2 miles either side of the Rwy 19 ILS Localizer North Course extending from the 5 mile radius zone to 12 miles north of the VORTAC; and within 1.5 miles either side of the 269° radial of the Kansas City VORTAC extending from the 5 mile radius zone to the VORTAC; and within 2 miles either side of the Rwy 1 ILS Localizer South Course extending from the 5 mile radius zone to 1.5 miles south of the Wyandotte OM.

KANSAS CITY, MISSOURI

Within a 5 mile radius of the Kansas City Municipal Airport (latitude 39°07'27" N, longitude 94°35'31" W) and within 1.5 miles either side of the 081° radial of the Riverside, Missouri VOR extending from the 5 mile radius zone to 6 miles NE of the VOR; and within 1.5 miles either side of the 215° radial of the Riverside, Missouri VOR extending from the 5 mile radius zone to 6 miles SW of the VOR; and within 2 miles either side of the 353° radial of the Riverside, Missouri VOR extending from the 5 mile radius zone to 10.5 miles N of the VOR, excluding that area which overlies the Kansas City International Airport control zone.

In § 71.181 (38 FR 435), the following transition area is amended to read:

KANSAS CITY, MISSOURI

That airspace extending upwards from 700 feet above the surface within a 10 mile radius of the Kansas City Municipal Airport (latitude 39° 07'20" N, longitude 94° 35'30" W) and within a 7 mile radius of Sherman AAF (latitude 39° 22'05" N, longitude 94° 54'45" W); and that airspace extending from 700 feet above the surface within an 8.5 mile radius of the Kansas City International Airport (latitude 39° 18'05" N, longitude 94° 43'47" W) and within 5 miles either side of the Rwy 19 ILS Localizer North Course extending from the 8.5 mile radius zone to 25 miles N of the Wyandotte OM; and within 5 miles either side of the 088° radial of the Kansas City VORTAC extending from the 8.5 mile radius zone to 11.5 miles E of the VORTAC; and within 5 miles either side of the Rwy 1 ILS Localizer South Course extending from the 8.5 mile radius zone to 11 miles S of the Wyandotte OM; and that airspace extending upward from 1,200 feet above the surface bounded on the southeast by the arc of a 42 mile radius circle centered on the Kansas City Municipal Airport, beginning at the west boundary of V-159 and extending counter clockwise to the south boundary of V-12 to longitude 93° 30'00" W, thence north along longitude 93° 30'00" W, to the southeast boundary of V-10 thence direct to latitude 93° 47'45" N, longitude 93° 34'00" W, thence southwest along the northwest boundary of V-10 to the east boundary of V-161, thence west to latitude 39° 44'00" N, longitude 94° 43'20" W, thence southwest to latitude 39° 30'00" N, longitude 94° 49'00" W, thence west along latitude 39° 30'00" N, to the southwest boundary of V-71, thence northwest along the southwest boundary of V-71 to longitude 95° 09'00" W, thence south along longitude 95° 09'00" W, to the southeast boundary of V-10 to the arc of a 10 mile radius circle centered on the Kansas City Municipal Airport, thence clockwise to the west boundary of V-159, thence south along the west boundary of V-159 to the point of beginning; and that airspace extending upward from 5,000 feet MSL bounded on the west by longitude 93° 30'00" W; on the south by V-4; on the east by V-424; on the north by V-116 and on the northwest by V-206; and on the north by V-10; and within an area bounded on the west by V-161; on the southeast by V-10 and on the north by V-50.

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, Missouri on July 20, 1973.

JOHN R. WALLS,
Acting Director, Central Region.

[FR Doc.73-16632 Filed 8-10-73; 8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 73-EA-64]

CONTROL ZONE

Proposed Alteration

The Federal Aviation Administration is considering amending § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the New York, N.Y. (John F. Kennedy International Airport) Control Zone (38 FR 406).

Forthcoming revisions to the VOR instrument approach procedures for John F. Kennedy International Airport and a review of the controlled airspace requirements for the terminal area indicate alteration of the control zone is required to provide controlled airspace in consonance with Terminal Instrument Procedures (TERPS).

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before September 12, 1973 will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views 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.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of New York, N.Y. (John F. Kennedy International Airport), proposes the airspace action hereinafter set forth:

1. Amend § 71.171 of Part 71 of the Federal Aviation Regulations by deleting the description of the New York, N.Y. (John F. Kennedy International Airport) control zone and by substituting the following in lieu thereof:

Within a 5-mile radius of the center 40°38'25" N., 73°46'41" W., of John F. Kennedy International Airport; within the area bounded by a line beginning at 40°36'16" N., 73°52'32" W., to 40°37'10" N., 73°54'55" W., to 40°42'19" N., 73°51'07" W., to 40°41'23" N., 73°48'48" W., to the point of beginning; within 1.5 miles each side of the Kennedy VORTAC 106° radial, extending from the 5-mile radius zone to 6.5 miles east of the VORTAC; within 1.5 miles each side of the Kennedy VORTAC 207° radial, extending from the 5-mile radius zone to 5 miles southwest of the VORTAC; within 1.5 miles each side of the Kennedy VORTAC 134° radial, extending from the 5-mile radius zone to 5 miles southeast of the VORTAC.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348) and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Jamaica, N.Y., on July 30, 1973.

L. J. CARDINALI,
Acting Director, Eastern Region.

[FR Doc.73-16629 Filed 8-10-73; 8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 73-EA-63]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the Wilmington, Del., Transition Area (38 FR 601, 1579).

A new area navigation (RNAV) instrument approach procedure was developed recently to serve Runway 35 at Summit Airpark Airport, Middletown, Delaware. Provision of controlled airspace for the new procedure will require alteration of the 700-foot floor transition area.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before September 4, 1973 will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views 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.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Wilmington, Delaware, proposes the airspace action hereinafter set forth:

1. Amend § 71.181 of Part 71, Federal Aviation Regulations so as to alter the description of the Wilmington, Delaware 700-foot floor transition area by deleting all after, "Summit Airpark Airport," and substituting therefor, "Middletown, Del.;" within 2.5 miles each side of a line bearing 345° from a point in latitude 39°23'31" N., longitude 75°40'38" W. extending from said point to the 5-mile radius area centered on Summit Airpark Airport and within 3 miles each side of a 234° bearing from the Greater Wilmington, Del., ILS OM extending from the Summit Airpark

Airport 5-mile radius area to 13 miles southwest of the OM."

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348] and section 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)].

Issued in Jamaica, N.Y., on July 27, 1973.

L. J. CARDINALI,
Acting Director, Eastern Region.

[FR Doc. 73-16630 Filed 8-10-73; 8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 73-EA-65]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amending § 71.181 of Part 71 of the Federal Aviation Regulations so as to alter the Wise, Va., Transition Area (38 FR 602).

A recent revision of the Lonesome Pine Airport, Wise, Virginia NDB instrument approach procedure to runway 24 will require alteration of the transition area.

Interested parties may submit such written data or views as they may desire. Communications should be submitted in triplicate to the Director, Eastern Region, Attn: Chief, Air Traffic Division, Department of Transportation, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York 11430. All communications received on or before September 12, 1973 will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements may be made for informal conferences with Federal Aviation Administration officials by contacting the Chief, Airspace and Procedures Branch, Eastern Region.

Any data or views 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.

The official docket will be available for examination by interested parties at the Office of Regional Counsel, Federal Aviation Administration, Federal Building, John F. Kennedy International Airport, Jamaica, New York.

The Federal Aviation Administration, having completed a review of the airspace requirements for the terminal area of Wise, Virginia, proposes the airspace action hereinafter set forth:

1. Amend § 71.181 of Part 71 Federal Aviation Regulations by amending the text of the Wise, Virginia 700-foot floor transition area by deleting all after "Wise, Va.," and by substituting therefor, "and within 3.5 miles each side of the 056° bearing from the Wise RBN (37°01'18" N., 82°28'04" W.) extending from the 11-mile radius area to 11.5 miles northeast of the RBN."

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 [72 Stat. 749; 49 U.S.C. 1348] and section 6(c) of the Department of Transportation Act [49 U.S.C. 1655(c)].

Issued in Jamaica, N.Y., on July 30, 1973.

L. J. CARDINALI,
Acting Director, Eastern Region.

[FR Doc. 73-16628 Filed 8-10-73; 8:45 am]

Federal Railroad Administration

[49 CFR Part 217]

[Docket No. RSOR-1; Notice 3]

RAILROAD OPERATING PRACTICES

Extension of Time for Filing Comments;
New Date for Public Hearing

On May 14, 1973, the Federal Railroad Administration (FRA) published in the FEDERAL REGISTER a notice of proposed rulemaking to add a new Part 217 to Title 49 of the Code of Federal Regulations to establish initial rules respecting railroad operating practices (38 FR 12617). The closing date for comments and date for public hearing provided in that notice were re-scheduled to August 14, 1973, and August 15, 1973; respectively, in a second notice of rulemaking published at 38 FR 14865.

The Association of American Railroads (AAR) has filed a request for additional time to submit the views and arguments of its member railroads and to make an oral presentation. This request was made, in part, due to the FRA's late response in issuing an interpretation of the scope and intent of the proposed rules as asked by the AAR in a letter of July 5, 1973. The July 5 letter and the FRA's interpretation are available in the public docket.

For good cause shown in the AAR request, the FRA has decided to extend the closing date for filing written comments and to set a new time for the public hearing. The new deadline for filing written comments is September 19, 1973, except that written statements may be submitted at the oral hearing. Written comments received after September 19, other than at the oral hearing, will be considered only so far as practicable. The new time and the place for the oral hearing are 10:00 a.m., September 20, 1973, in Room 5332, Nassif Building, 400 Seventh St., S.W., Washington, D.C. Persons wishing to make an oral presentation should notify the Docket Clerk, Office of the Chief Counsel, Federal Railroad Administration, 400 Seventh St., S.W., Washington, DC 20590, before September 20. Participants should refer to the original notice (38 FR 12619) for a brief statement of the procedures to be followed at the hearing.

(Sec. 202, 84 Stat. 971, 45 U.S.C. 431; § 1.49 (n), 49 C.F.R. 1.49(n))

Issued in Washington, D.C., on August 7, 1973.

DONALD W. BENNETT,
Chief Counsel.

[FR Doc. 73-16649 Filed 8-10-73; 8:45 am]

ENERGY POLICY OFFICE

[32A CFR Ch. XIII]

EPO REG. 1

Mandatory Fuel Allocation

The Energy Policy Office is considering the adoption of a mandatory fuel allocation program pursuant to the authority granted under Section 203(a)(3) of the Economic Stabilization Act of 1970, as amended.

On April 30, 1973, the Economic Stabilization Act was amended by PL 93-28 to give the President (or his delegate) the power to allocate petroleum products including crude oil. Guidelines for a voluntary program for allocation of crude oil and refinery products were published in the FEDERAL REGISTER, Vol. 38, No. 99, on Wednesday, May 23, 1973. Public Hearings concerning the operation of the voluntary program and the need for a mandatory program were held in Washington on June 11-14, 1973.

The following proposed program would, if adopted, provide for the mandatory allocation of crude oil, refined petroleum products and liquefied petroleum gas. It is being published at this time so that public comments may be considered prior to the institution of a mandatory allocation program. It should be noted that the program is being published for comment only and that there is no intention to actually implement a mandatory program at this time.

Interested persons may submit written data, views or arguments to: Mandatory Petroleum Allocation Program, Attention: Charles J. Cullen, Office of Oil and Gas, P.O. Box 19407, Washington, D.C. 20504. Comments should be received prior to September 10, 1973.

Comments are welcome on (1) the general need for a mandatory program (2) the overall effects of the mandatory program as proposed, (3) individual sections of the proposed program and their expected effects, (4) the proposed base period and method of establishing the purchaser/supply relationship, (5) the relationship of the proposed program to other federal and state programs which may effect fuel allocation, such as natural gas curtailment procedures, environmental implementation plans and Cost of Living Council regulations, and (6) any other matter relevant to the proposed regulations.

Specific forms which are referred to in the proposed program are not included for comment.

In the event a decision is made to institute a mandatory fuel allocation program under 203(a)(3) of the Economic Stabilization Act, as amended, it is proposed to add a new Chapter XIII to Title 32A CFR consisting of the following EPO—Reg 1:

CHAPTER XIII—ENERGY POLICY OFFICE

EPO—REG 1—MANDATORY FUEL ALLOCATION PROGRAM

Subpart A—Mandatory Allocation Program for Crude Oil

Sec.

- 1 Intent of program.
- 2 Definitions.
- 3 Coverage of program.
- 4 Basis for allocations.
- 5 Procedure and timing requirements.
- 6 Pricing and terms of crude oil sales by refiners to comply with the mandatory allocation program.
- 7 Compliance provisions.

Subpart B—Mandatory Allocation Program for Refined Petroleum Products and Liquefied Petroleum Gas

- 8 Intent of program.
- 9 Definitions.
- 10 Coverage of program.
- 11 Basis for proportional allocations.
- 12 Priority allocations.
- 13 Timing of program and report requirements.
- 14 Adjustments in program.
- 15 Prices.
- 16 Normal business practices.
- 17 Appeals to the Department of Interior.
- 18 Compliance provisions.
- 19 Relationship with other Governmental programs.

Subpart C—General Provisions

- 20 Exceptions.
- 21 Force majeure.
- 22 Discrimination.
- 23 Preemption.
- 24 Termination.
- 25 Voluntary allocation program.
- 26 Sanctions.

AUTHORITY: Sec. 203(a) (3) of the Economic Stabilization Act of 1970 as added on April 30, 1973 by Sec. 2(b) of the Economic Stabilization Act Amendments of 1973 (P.L. 93-28); 12 U.S.C. 1904 (Note); EO 11695, 38 FR 1473; Cost of Living Council Order No. 33, 38 FR 20960.

Subpart A—Mandatory Allocation Program for Crude Oil

Section 1. Intent of program.

The mandatory crude oil allocation program is intended to facilitate operations by small refiners at levels of at least 90 percent of capacity. Imported crude oil will not be subject to control; it is expected that refiners who have historically been able to obtain and process imported crude will continue to do so. The program provides for allocation of domestic crude oil to crude deficient small refiners, sufficient to maintain each small refiner's 1972 ratio of domestic crude to imported crude oil input were he to operate at 90 percent of capacity. Shortages of domestic crude will be determined by the Department of Interior, based on reports from small refiners. Each eligible major refiner will submit reports of domestic crude availability to the Department of Interior and will be required to offer a specified proportional quantity of crude oil for sale to the small refiners. Major refiners operating at below 90% of capacity will not be required to sell crude oil to small refiners. The parties involved will be required to effect the necessary sales and exchanges to actually accomplish the redistribution. The sales price will be posted price plus six

percent for brokerage and handling plus actual transportation costs. To encourage exploration for new reserves, the program exempts from allocation production from new discoveries.

Sec. 2. Definitions.

"Brokerage and Handling Fee"—6 percent surcharge on all sales of crude oil under this program.

"Crude Deficient Refiner"—any refiner with anticipated crude availability which is expected to result in operations below 90% of capacity during the next quarterly period.

"Crude Sales Fraction"—a fraction applied to each eligible major refiner's eligible crude availability to determine the actual amount (in barrels) the refiner must offer for sale in any period. The crude sales fraction is the same for all eligible major refiners; it is the quotient of the total small refiner's deficiencies divided by the total eligible crude availability.

"Domestic Crude Availability"—the amount of domestic crude oil available to major refiners operating at or above 90% of capacity as of the effective date of this program, a portion of which will be designated for sale to small refiners by the Department of Interior. All new discoveries subsequent to the commencement of this program will not be included in a refiner's eligible crude availability, but will be considered in determining if a major refiner is crude deficient.

"Historical domestic crude fraction"—domestic crude runs as a fraction of total refinery runs (including all imports) of crude oil during calendar year 1972.

"Major Refiner"—any refiner with total capacity equal to or greater than 175,000 barrels per day; major refiners operating at or above 90% of capacity are "eligible" and will be required to sell domestic crude oil to small refiners.

"Period"—Quarterly periods as designated by the Department of Interior after the commencement of this program.

"Proportional Share"—the actual amount of domestic crude offered for sale by an eligible major refiner. The proportional share equals the product of each major refiner's eligible crude availability multiplied by the national crude sales fraction.

"Small Refiner"—any refiner with total capacity less than 175,000 barrels per day.

"Small Refiner Deficiencies"—those quantities of domestic crude oil that a refiner is deficient according to the formula in section 4(c).

Sec. 3. Coverage of program.

The program will apply to all refiners and others who purchase crude oil from producers directly or indirectly for resale or transfer to refineries. However, only refining companies with a total domestic refinery capacity of less than 175,000 barrels per day will be permitted to purchase domestic crude oil under this program as specified by the Department of Interior. All major refiners reporting operations equal to or greater than 90%

of capacity in the next period will be required to offer a proportional share of domestic crude for sale to small refiners. All crude deficient major refiners will be exempt from offering domestic crude for sale, but will be required to report to the Department of Interior.

Sec. 4. Basis for allocations.

(a) Separate programs will be established for Districts I-IV and for District V.

(b) Each established refining company will report to the Department of Interior within ten days of the commencement of this program. These refiners shall report for each refinery for each period capacity and anticipated crude oil availability. Refiners will also report on a one-time basis the total amounts of domestic and imported crude oil run through their refineries during calendar year 1972.

(c) Based upon reports provided by each refiner, the Department of Interior may verify the estimated crude availability for the next period. The Department of Interior will determine each small refiner's deficiency according to the following formula:

$$S.R.D. = (H.D.C.F.) \times [0.9 (\text{capacity})] - S.R.D.C.A.$$

H.D.C.F. = historical domestic crude fraction

S.R.D.C.A. = small refiner domestic crude availability (anticipated for the next period)

The Department of the Interior will sum all small refiner deficiencies and determine the total domestic crude availability from eligible major refiners. The Department of Interior will determine the crude sales fraction (which applies to all eligible major refiners) by dividing the total small refiner deficiencies by the total domestic crude availability. Each eligible major refiner will be required to sell a proportional share of domestic crude equal to the product of the crude sales fraction and his reported domestic crude availability. The Department of Interior will publish in the FEDERAL REGISTER a list of refiners who may purchase crude oil under this program and a list of refiners who are required to offer crude oil for sale. Specific quantities will be specified for each selling or purchasing refiner for each period.

(d) Major refiners who are required to sell crude oil must offer this crude oil, directly or through exchange, to small refiners who have the opportunity to purchase crude oil under this program. The crude oil offered must be suitable for processing in and practical for delivery to plants of purchasing refiners. The crude will be made available in reasonable increments during the period in accordance with normal business practices.

(e) Refiners allowed to purchase crude oil under this program who desire to purchase crude oil, but are unable to negotiate a contract for an acceptable crude oil within the time period allotted may request that the Department of the Interior compel a refiner to sell an acceptable type of crude oil to the deficit refiner. Upon such request, the Department

of Interior will direct a refiner who has not sold its required volume of crude oil to sell a specified volume of a specified crude to the purchasing refiner. If the Department of Interior directs the sale, the Department of Interior will collect the brokerage fee from the buyer. Should the refiner then decline not to purchase the crude oil specified by the Department of Interior, any rights to purchase that volume of crude oil based on this program will be forfeited for that period, provided that all provisions of this program have been met by the prospective seller.

(f) In determining subsequent small refiner deficiencies, the Department of the Interior will adjust the amount a small refiner may purchase by the actual overage or underage (the difference between the estimated and actual supply of crude oil) in the previous period, based on data in the quarterly report on actual operations.

(g) Major refiners who report that they will operate below 90% of capacity will not be required to sell crude oil. Should a major refiner then actually operate at or above 90% of capacity, the Department of Interior will increase the amount a major refiner must offer for sale in the next period accordingly. The domestic crude availability reported by crude deficient major refiners will not be included in the total eligible crude availability.

(h) If the proportional share assigned for sale by the Department of Interior results in a major refiner becoming crude deficient, the major refiner will not be required to provide more crude for sale to small refiners than would result in reducing the major refiner's operations to less than 90% of capacity. Should this occur, the Department of Interior will reduce the total eligible crude availability accordingly.

(i) Foreign crude may be substituted for domestic crude, providing that this is acceptable to both the purchaser and seller. The sales shall be at a price agreeable to both parties. Except as specified in this paragraph, no other portion of this mandatory crude oil allocation program applies to the purchase, sale, or distribution of imported crude oil.

(j) Domestic crude oil purchased by small refiners under this program may not be sold, but must be utilized or exchanged for crude oil which will be utilized by the small refiner.

(k) The type of crude oil purchased or sold, the location of each sale, and the terms and conditions of sale shall be agreed upon by individual companies conducting the transactions consistent with normal business practice, subject to provisions of these regulations and to the applicable laws in effect at the time of the transactions.

(l) If any refiner radically changes existing supply relationships so that the net result is to significantly reduce the sales on the free market and to increase the sales under this program (thus receiving the 6% brokerage fee on a higher portion of crude sales) the Department of Interior may direct the reestablish-

ment of the historical supply relationships at posted prices, allowing no brokerage fee.

(m) In the event of supply disruptions that substantially affect the program or any refiner, the Department of Interior may terminate or reduce the sales volumes of any agreements made as required by this program and issue additional instructions for sales to bring the program back into reasonable balance.

(n) Exchanges of crude oil may be utilized to comply with the purchase and sale provisions of this program, provided they are on a barrel-for-barrel basis. (For example, Refiner A who is required to sell crude oil, may deliver a barrel of crude oil to Refiner B who in turn delivers a barrel of crude oil to Refiner C, who is allowed to purchase crude oil under the program.)

(o) The Department of Interior, based upon periodic reports of all refiners, will review the allocations quarterly and make adjustments to reflect the changing availability in crude supplies or transportation. Purchasers and sellers are encouraged to continue the supply relationships in effect at the commencement of this program and instituted under the first period of this program to minimize disruption and maximize crude availability. Small refiners with 25% or more of their refinery output as asphalt will not necessarily receive the full allocation of domestic crude oil according to the formula in Section 4(c). The Department of Interior may reduce the allocations to reflect seasonal patterns of asphalt production.

(p) All new discoveries of domestic crude subsequent to the commencement of the program shall be exempt from allocation under this program. These new supplies shall be available to the owner for use or sale in any manner consistent with normal business practices and laws governing each use and transaction. "New discoveries" is interpreted to mean new crude petroleum as defined in § 150.354(b)(4), Subpart L of Phase IV Proposed Rulemaking, 6 CFR Part 150, July 20, 1973 (38 FR 19468).

Sec. 5. Procedure and timing requirements.

(a) *Initial report.* Within ten days following the commencement of this program, each refiner shall submit a report to the Department of Interior with the following information:

(1) Capacity of each refinery reported to the Bureau of Mines, and any new capacity estimated to be put on stream from July 1, 1973 through June 30, 1974.

(2) Total crude availability for the next period, segregating domestic crude oil and imported crude oil, including:

(i) Estimated monthly deliveries of various grades of crude oil, excluding crude oil to be processed for other refiners under agreements.

(ii) Estimated monthly deliveries of various crude oils to other refiners' plants for processing for its own account under processing agreements.

(iii) Any crude oil to which the company has title or will obtain title, that

is not committed by contract to other refiners, or is not included in its estimates for deliveries to its refineries, or for processing by other refiners under processing agreements.

(3) The total quantities of domestic crude oil and imported crude oil processed during calendar year 1972. Total deliveries of various crudes to other refiners' plants for processing under its own account as well as crude oil processed for other refiners will be separately identified. (Refiners with 25% or more of their output as asphalt shall report 1972 crude runs on a monthly basis.)

The amounts reported shall be certified for correctness by an officer of the company to be accurate to the best of his knowledge. The provisions of 18 U.S.C. 1001 shall apply to all submissions made. Supporting documents may be required by the Department of Interior as it deems necessary. The projected volume of imported crude oil reported shall be that which the company anticipates importing for the upcoming period, and must be at least equal to that average daily volume of imported crude oil actually charged to the refiner's plants during the period from July 1, 1972 through June 30, 1973; any reductions in this level of imported crude oil by major refiners will not be considered in determining the eligibility of the refiner for sales under this program, i.e., will not be considered in reviewing a major refiner's operations at or near 90% of capacity. Any reductions in the level of imported crude from the calendar 1972 levels by crude deficient small refiners will be deducted from the quantities of crude oil to be purchased under this program.

(b) *Subsequent reports.* Each refiner will report to the Department of Interior 60 days prior to the first day of each new period. These reports shall be identical to the initial report, except: refiners will not report on 1972 historical crude runs, but will report actual crude runs and actual capacity for the previous period, segregating domestic crude from imported crude oil.

(c) Each transaction made to comply with this program shall be reported to the Department of Interior. This report will indicate the selling and purchasing refiner, the price of the contract modified by any allowed transportation cost adjustments, and the identity and volumes of the crude oil sold.

(d) The Department of Interior will publish a list showing required sales volumes and purchase opportunities for each refiner in Districts I-IV and District V, and issue instructions to the major refiners to sell the required volumes of crude oil or inform small refiners of their opportunities to purchase additional supplies. The lists shall be published by the Department of Interior at least 30 days prior to the beginning of a new period.

(e) Within 20 days of the date the lists are published in the FEDERAL REGISTER, each refiner shall make a report to the Department of Interior showing progress made to comply with the program. Based on these reports, the De-

partment of Interior will work with refiners in the ten days prior to the beginning of the new period to assist them in complying with the program and may require any refiner who has not complied with this program to date to sell specified volumes of a specified crude oil to refiners unable to purchase crude oil.

(f) All agreements for exchanges of foreign oil for domestic oil in effect at the initiation of this program shall remain in effect as long as the foreign crude oil being delivered for exchange continues to be available. In the event that supplies of foreign crude oil being exchanged become unavailable through circumstances not under the control of the person, firm, or corporation that is supplying the foreign crude oil, and other replacement crude oils cannot be secured, then the exchange agreement may be terminated upon seven days notice, provided that a full report is sent to the Department of Interior and that the Department of Interior is notified by telegram at the time of the notice. The Department of Interior may then alter previous allocations in an attempt to ensure that crude deficient small refiners obtain supplies of crude oil.

(g) Any refiner may report to the Department of Interior any significant changes in available supply. Such reports may be filed at any time; however, changes in allocation to small refiners can usually be best accommodated utilizing the reporting and adjustment procedure presented in section 4(f). New supply exempt from allocation shall be listed separately in such reports.

Sec. 6. Pricing and terms of crude oil sales by refiners to comply with the mandatory allocation program.

(a) The price at which crude oil shall be offered for sale as required by this program in Districts I-IV or District V shall equal posted prices (plus other applicable costs as specified in paragraphs (b) and (c) of this section), plus a 6 percent brokerage fee. In no case, will the price charged be in violation of Cost of Living Council rules. Each refiner required to sell oil under this program shall maintain records, which shall be made available to the Department of Interior upon request, listing the volumes and prices of all crude oils delivered to its plants during each month.

(b) The delivered price charged a deficit refinery may also include, where applicable, any gathering or trucking allowances and terminaling costs, and exchange differentials paid to deliver the crude oil to the seller's refineries.

(c) Actual additional transportation expenses incurred in moving the offered crude oil to the purchaser's refinery shall be paid by the purchaser at the published tariff rate. Actual transportation expenses saved as a result of moving the offered crude oil directly to the purchaser's refinery shall be deducted from the selling price.

(d) In the event that an exchange is used to effect the delivery of crude oil to the purchaser's refinery, no exchange differential may be collected other than

actual additional transportation expenses which are associated with the exchange.

(e) In no case will a supplier be required to sell crude oil at a price that is less than cost and therefore confiscatory.

(f) If a refiner does not effect a sale and the Department of Interior is required to force a sale, the 6 percent brokerage and handling fee shall be paid to the Department of the Interior by the buyer.

Sec. 7. Compliance provisions.

(a) Compliance with this program shall be mandatory. Each refiner required to sell crude oil under the provisions of this program must do so or face penalties or sanctions.

(b) Any participant in the program may file a complaint with the Department of Interior against any other participant. Upon receipt of such complaint, the Department of Interior will conduct an investigation, and in the event of violations, instruct the violators to comply with the program, impose penalties as specified, and if necessary impose sanctions.

Subpart B—Mandatory Allocation Program for Refined Petroleum Products and Liquefied Petroleum Gas

Sec. 8. Intent of program.

It is the intent of the mandatory allocation program for refined petroleum products and liquefied petroleum gases (LPG) to distribute available products among wholesale purchasers equitably, and to provide a state reserve for priority uses. The Federal Government will administer that portion of the program which ensures equitable distribution to the wholesale purchaser. It is intended that allocations will be made by suppliers consistent with normal regional patterns through normal distribution networks. Wholesale purchasers of petroleum products and LPG will be allocated 100% of the same quantities as purchases in calendar year 1972 or if these quantities are not available, a proportional share of the supplier's allocable supplies. Marketers, jobbers, dealers, or direct wholesale customers not in business during the entire base period, or who have had substantial changes in fuel requirements such that allocations equal to or proportional to base period supply levels would create exceptional economic hardships, may petition the Department of Interior to receive greater allocations. The state governments may direct use of the state reserve if desired to meet priority needs. Dealers, marketers and jobbers who supply priority users may apply to the designated state office for additional supplies above their allocations to meet priority demands.

Sec. 9. Definitions.

"Adjusted Base Period Supply Volume." The amount assigned by the Department of Interior to a wholesale purchaser in lieu of the wholesale purchaser's actual base period sales or usage which a supplier must use as a base for calculating allocations.

"Allocable Supplies." Any supplier's total supply of any refined petroleum product covered by this program less any exempt volumes not allocable.

"Allocation Fraction." A fraction, calculated as described in the program regulations, which each supplier will use to apportion its allocable supplies among all its wholesale purchasers based on their base period supply volumes.

"Assigned Customer." A wholesale purchaser with whom a supplier did not do business during March 1973 or the nearest month in 1973 prior to March 1973 that is assigned to a supplier by the Department of Interior and whom the supplier must supply for the duration of this program.

"Base Period."¹ The equivalent month in 1972.

"Base Period Supply Volume." A wholesale purchaser's base period sales or usage. A supplier's base period supply volume will be equal to the sum of its wholesale purchaser's base period supply volumes and the base period supply volumes of its own retail outlets, plus adjustments by the Department of the Interior.

"LPG." Liquefied petroleum gas, including propane and butanes, but excluding ethane.

"Proportional Allocation." If the 1972 supply levels are not available, the proportional allocation equals the total allocation received by each wholesale purchaser. This is equal to the product of the supplier's allocation fraction times the wholesale purchaser's base period supply volume or adjusted base period supply volume.

"State Reserve." 10 percent of the total allocation which may be allocated by the states for priority use.

"Supplier." Any refiner, gas plant operator, wholesale marketer, jobber, distributor, terminal operator, or any person, firm or corporation who supplies petroleum products or LPG in bulk at the wholesale level.

"Total Allocation." 100 percent of a wholesale purchaser's base period supply volume, or, if the supplier does not have this quantity, a proportional allocation.

"Wholesale Customer or Purchaser." Any person, firm, corporation, cooperative, or governmental unit that purchases petroleum products in bulk or under contract at the wholesale level, including distributors, independent or branded and unbranded jobbers or dealers, public utilities, industries or large volume users.

Sec. 10. Coverage of program.

(a) The program will cover all designated products produced in or imported into all states, territories, commonwealths, and possessions.

¹ The base period currently under review is calendar year 1972 as a basis for quantities to be allocated; associated with this base period is the use of March 1973 as a basis for establishing the supplier/purchaser relationship. An alternative is to utilize calendar year 1972 both for determining quantities and for establishing supplier/purchaser relationships. Comments on alternative base periods are solicited.

(b) Separate programs will exist for Districts I-IV and for District V. However, normal supply patterns that cross district boundaries will be continued. For the purpose of this program, retail outlets normally supplied across district lines will be considered to be in the district from which they are supplied.

(c) The mandatory provisions of the program will apply to all refiners, gas plant operators, wholesale marketers, jobbers, distributors, and terminal operators, or any person, firm or corporation which supplies petroleum products or LPG in bulk at the wholesale level.

(d) The program will apply to the distribution and marketing of the following petroleum products: propane, butanes, gasoline including aviation gasoline, naphtha, and naphtha base jet fuel, kerosine, stove oil, and No. 1 fuel oil; and heavy distillates such as diesel fuel, furnace oil and No. 2 fuel oil, and residual oils. Petrochemicals (but not feedstocks), lubricants, asphalt, and refined solvents will be excluded.

Sec. 11. Basis for proportional allocations.

(a) Each wholesale purchaser entitled to receive allocations under this program will be supplied by his supplier(s) of record during March 1973. Each supplier will be required to continue to serve the customers he served during March 1973. However, a supplier may in addition, if he so elects, continue to serve customers signed to new supply contracts since March 1973, providing that provision of supplies to the new customer does not reduce the level of supplies available to a supplier's historical customers.

(b) Any person, firm, corporation or organization who qualifies as a wholesale purchaser and who did not have a supplier during March 1973 may apply to the Department of Interior and be assigned a supplier. Any assigned customer must be accepted by the supplier, and during this program, must be treated in the same manner as any other customer of the equivalent category and wholesale level.

(c) Each wholesale purchaser's base period supply volume in any month will be the amount purchased from all suppliers during the corresponding month of 1972, provided however, that wholesale purchasers not in business during all of 1972, or who have had substantial changes in requirements such that allocations based upon a percentage of actual base period supplies would create an exceptional economic hardship, may petition the Department of Interior to be granted adjusted base period supply volume greater than the actual base period supply purchased. The Department of Interior will develop and public a set of criteria under which such petitions will be considered; the criteria will include consideration of unusual conditions or misfortunes in the base period, new investments, sales experience of comparable purchasers, etc.

(d) A supplier will be required to allocate supplies to each wholesale purchaser based on the purchaser's claimed base period supply volume, or any adjusted base period supply volume assigned to that purchaser by the Department of Interior. It will be each wholesale purchaser's responsibility to notify his supplier of his base period supply volume within 30 days of the commencement of this program, if it differs from the amounts actually supplied by the supplier during the base period or if the wholesale purchaser had multiple suppliers in March 1973. The supplier may, if he so desires, request that the notification be on an OOG form which requires certification. When a supplier does not receive notification from a wholesale purchaser, he should assume that the wholesale purchaser's volume is the same as his sales to that purchaser during the base period.

(e) A wholesale purchaser with more than one supplier during March 1973 will distribute his base period supply volume among his March 1973 suppliers in proportion to the percent of his total supply that each supplier provided during March 1973. Purchasers who do not advise their suppliers of multiple supply arrangements and who intentionally obtain supplies from multiple suppliers greater than their total allocation will be subject to sanctions, including exclusion from further entitlement to allocations under this program.

(f) Suppliers and purchasers may agree among themselves to either borrow on future allocations or defer current allocations within the level of the total allocation for the year, as long as such arrangements do not result in an involuntary reduction in allocations to other purchasers.

(g) Each wholesale purchaser notifying his supplier of a base period volume different from the supplier's actual sales to the purchaser during the base period must be prepared to document his base period supply levels. The supplier may request documentation of the wholesale purchaser's reported base period sales, and if the purchaser fails to supply this documentation within 30 days, the supplier may reduce the purchaser's base period supply volume to the volume of products the supplier sold the purchaser during the base period. The Department of Interior may investigate such cases and depending upon its findings may (1) restore part or all of the original base period volume plus any underage in supply to the purchaser that may result during the time the base period volume is reduced, (2) penalize the purchaser for its overage during the initial periods of over supply, or (3) if the violation warrants it, impose sanctions upon the wholesale purchaser.

(h) If a supplier has insufficient supplies to provide every purchaser with a quantity equal to the 1972 supply level, plus those purchasers assigned by the Department of Interior, the supplier will allocate based on proportional allocations. To determine monthly proportional

allocations to its wholesale purchasers, each supplier shall determine its allocation fraction for the coming month. Each supplier's allocation fraction (calculated separately for each product category) shall be equal to its adjusted total allocable supplies for that month divided by the adjusted base period supply volume (total base period supply volume plus purchasers assigned by the Department of Interior) of all its wholesale purchasers, including its own retail outlets. A supplier's adjusted total allocable supplies shall be equal to its total estimated allocatable supplies for the coming month, less any adjustments to correct for the difference between the previous month's estimated supplies and actual supplies.

(i) Each purchaser's total allocation for each month shall be equal to 100 percent of the supplier's allocation fraction multiplied by the wholesale purchaser's base period supply volume (or adjusted base period supply volume).

(j) In the event that a supplier's adjusted total allocable supplies exceed the sum of the total allocations for all purchasers, the supplier may distribute any surplus supplies at his discretion.

(k) To allow suppliers flexibility in meeting regional imbalances in normal demand, any supplier may vary his monthly allocation fraction to wholesale purchasers in different areas or regions by as much as 10%; provided that all customers in any local area receive allocations based on an identical allocation fraction and that the total of all proportional allocations remains unchanged. It is intended that suppliers shall use this privilege sparingly.

Sec. 12. Priority allocations.

(a) Any wholesaler, purchaser or user of refined petroleum products may apply to the designated state office to obtain products for priority use by certifying that these or like products will not be diverted from priority uses. An OOG form or a similar state form may be used for such certification.

(b) The following list of activities considered as priority uses of petroleum products is recommended as a guideline for use in state programs to allocate petroleum products:

- (1) Farming, ranching, dairy, and commercial fishing.
- (2) Services directly related to the cultivation, production, processing, preservation, or distribution of food.
- (3) Oil, gas and coal industry operations and related suppliers and services.
- (4) Health and sanitation services.
- (5) Police, firefighting and emergency aid services.
- (6) Public passenger transportation, including school buses and other buses, intercity and mass transit rail systems, and airline passenger services, but excluding taxicabs and tour and excursion services.
- (7) Rail, highway, sea and air freight transportation services.
- (8) Public utilities, except for substitute natural gas feedstocks and fuels

required for conversion from coal and residual fuel oil other than those necessary to meet primary air standards.

(g) Telecommunications.

(c) States may direct the suppliers to distribute future allocations of petroleum products and LPG in quantities different than prescribed in section 11 to any wholesale purchasers or any end users to meet priority needs. States may not direct more than 10 percent of any wholesale purchaser's total allocation. This redistribution should be for priority use only and states are encouraged to make all efforts to equalize the impact of redistribution on affected purchasers.

(d) The state reserve is intended for use by the states in meeting priority needs. If, in any month, the states do not direct use of any or all of the state reserve for priority needs, the wholesale purchaser will automatically receive all or the balance of his total allocation. States are encouraged to return all wholesale purchasers to a supply level equal to their total allocation as soon as possible. As supplies of petroleum products and LPG continue to increase, most priority needs should be met by the functioning of the normal market mechanism.

(e) The state reserve cannot be accumulated or deferred.

(f) States, territories, commonwealths and possessions may not restrict or in any way interfere with the interstate commerce of fuels, either as raw materials or products. The allocation authority of the state shall extend only to the state reserve which comes to rest in the state. States may not take actions which will result in overt discrimination against non-residents in favor of residents for any fuel or products. Interstate transportation, out-of-state travellers, and wholesalers and retailers doing business in more than one state are examples of classes of petroleum buyers and users to whom the states may not restrict supplies to beyond proportional allocations affecting all buyers and users equally.

Sec. 13. Timing of program and report requirements.

(a) This program shall become effective immediately after the approved program is published in the FEDERAL REGISTER. The first month of allocations will be prescribed by the Department of Interior upon commencement of the program.

(b) To be assured of allocations once the program has commenced, each wholesale purchaser should immediately file a specified form with his suppliers. Wholesale purchasers without a supplier should file a specified form with the Department of Interior in order to be assigned a supplier. To be assured of priority allocations each month, wholesale purchasers should contact the designated state offices.

(c) Each supplier selling covered products to wholesale purchasers will be required to file a monthly and yearly report with the Department of Interior.

(d) Each supplier selling covered products to wholesale purchasers will be re-

quired to advise the designated state office monthly of estimated total quantities of the supplier's products (for each product) that will be available within the respective states.

Sec. 14. Adjustments in program.

(a) In order to meet imbalances in supply that may arise from unusual weather conditions or from supply disruptions, the Department of Interior shall reserve the right to order the transfer of supplies from one region to another, to the extent that may be possible with existing transportation facilities and to allocate supplies among suppliers when such an allocation could help alleviate imbalances. Under these circumstances, the allocation fraction for individual suppliers could vary from state to state within Districts I-IV and District V.

(b) The Department of Interior may reassign wholesale purchasers, require a transfer of some wholesale purchasers among suppliers, direct a reallocation of supplies among suppliers, or make other adjustments as may be necessary to achieve a more equitable balance of assigned sales and priority sales among suppliers. The Department of Interior shall make such adjustments sparingly and may seek the advice of the designated state offices and of the affected companies concerning how to make such adjustments with a minimum cost and a minimum effect upon commerce and competition.

(c) Suppliers may make arrangements to supply purchasers to whom they have an allocation responsibility through other suppliers providing that price and other non-price contract provisions are comparable and that the same quantity is supplied.

(d) In cases where abnormal market conditions have resulted in distortions in distribution channels, the Department of Interior may redirect supplies to traditional markets.

Sec. 15. Prices.

The prices at which petroleum products shall be sold by suppliers to each class of wholesale customers in a market area, if such a sale is ordered by the Federal or state government, shall bear a normal and reasonable relationship to the price at which such products are sold to each other class of customers in each market area or the nearest market area, after adjustment for normal and reasonable costs of transportation between reasonable market areas. Whether a price bears a "normal and reasonable relationship" to other prices shall be determined by the Department of Interior in cooperation with the Cost of Living Council, except that in the exercise of this authority, the Department of Interior shall have no power to compel sale at below cost.

Sec. 16. Normal business practices.

It is the intent of the program that suppliers will deal with wholesale purchasers according to normal business practices. Nothing in this program shall

be construed to require suppliers to sell to wholesale purchasers who do not arrange proper credit or payment for products. However, a supplier may not require or impose credit terms or payment schedules on wholesale purchasers more stringent than the supplier's normal business practice during the first half of 1972, other than are common under current market conditions (such as higher interest rates).

Sec. 17. Appeals to the Department of Interior.

(a) Any party may file a complaint with the Department of Interior or the designated state office against any other party concerning failure to comply with their respective portion of this program.

(b) Any supplier or wholesale purchaser may request adjustments from the Department of Interior in his base period volumes, assigned customers, or any other feature of this program, where such features result in exceptional economic hardship or gross inequities.

(c) The Department of Interior will investigate all complaints and requests for adjustments and take such action as it deems appropriate. It may require adjustments, impose penalties, or in cases of willful violations of the program, invoke sanctions on any violating parties.

Sec. 18. Compliance provisions.

(a) Compliance with this program shall be mandatory. Each supplier of refined petroleum products and LPG must allocate all available supplies not exempt from allocation in accordance with the provisions of this program or face penalties or sanctions.

(b) Wholesale purchasers failing to comply with reporting requirements of the program face possible loss of or reductions in allocations by their suppliers. Willful misrepresentations on reports to suppliers shall be grounds for exclusion from the program.

Sec. 19. Relationship with other Governmental programs.

(a) No provision of this program is intended to conflict with the rules and regulations of the Cost of Living Council or of the Mandatory Oil Import Program.

(b) Proof that any wholesale purchaser is willfully violating Cost of Living Council regulations shall provide grounds for exclusion of the purchaser from this program by the Department of Interior.

(c) The Cost of Living Council may initiate a complaint against any supplier of wholesale purchaser violating its regulations and request appropriate action by the Department of Interior under this program to help obtain compliance.

(d) The Department of Interior will assist the states in establishing their programs for priority allocation of petroleum products and LPG. The Department of Interior will provide suggested forms and procedures. A representative of the Department of Interior will be appointed to assist most designated state offices (some states may be served by a regional

representative) and to provide liaison with the Federal portions of the program.

Subpart C—General Provisions

Sec. 20. Exceptions.

The intent of this program is as expressed separately for the crude oil allocation and the refined products and LPG allocation programs. If the results of some aspects of the programs are contrary to the intent, the person affected may request that the Department of Interior grant an exception on the basis of unintended results.

Sec. 21. Force majeure.

No person shall be held liable by any other person for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with a rule, regulation, or order issued pursuant to this program notwithstanding that any such rule, regulation, or order shall thereafter be declared by judicial or other competent authority to be invalid.

Sec. 22. Discrimination.

No supplier shall discriminate against any wholesale purchaser or refiner purchasing crude oil by failing to make allocations as described under this program, or any rule, regulation, or directive issued pursuant thereto, by charging higher prices or by imposing different terms and conditions on sales upon any single purchaser than charged or imposed upon all other purchasers at an equivalent level of trade, except as may be normal in general business practice.

Sec. 23. Preemption.

For the allocation program to be successful, it is imperative that supplies of crude oil and refined products be made on a coordinated national basis. There-

fore the provisions of this program preempt the regulations of any state, territorial, commonwealth, insular possession or local community which would obstruct the smooth and equitable functioning of this national program.

Sec. 24. Termination.

This program will continue until terminated by the President or by expiration of the Economic Stabilization Act.

Sec. 25. Voluntary allocation program.

Upon commencement of this program, all requests for assistance under the voluntary allocation program with the Department of Interior will be voided. Any problem of allocation of crude oil or refined products which remains or occurs after the commencement of the mandatory allocation program should be brought to the attention of the Department of Interior in the manner prescribed in this program.

Sec. 26. Sanctions.

(a) Any refiner who does not comply with the crude oil provisions of this program may, upon further review by the relevant agency of the U.S. Government, be denied fee-free import licenses in the year following the violation of this program. In addition, the Department of Justice may be requested to bring an appropriate civil or criminal action in a district court of the United States.

(b) The Department of Justice may be requested to bring an appropriate civil or criminal action in a district court of the United States against any refiner, gas plant operator, wholesale marketer, jobber, or distributor who fails to comply with the refined products provisions of this program. Failure to comply with the provisions of this program will subject the party to termination of all benefits under the program.

(c) Any person who requests either a priority or non-priority allocation under false circumstances or who uses products provided under a priority allocation for non-priority use, shall be subject to appropriate civil and criminal penalties for each violation of these provisions, and shall be subject to loss of any right to be assigned to a supplier. In addition, the Department of Justice may be requested to seek appropriate injunctive relief to halt the use and sale of products provided under a priority allocation for non-priority use.

JOHN A. LOVE,
Director,
Energy Policy Office.

[FR Doc. 73-16773 Filed 8-9-73; 11:20 am]

ENVIRONMENTAL PROTECTION AGENCY

[40 CFR Part 52]

APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Proposed Transportation Control and/or Land Use Plan; Correction

The proposed transportation control plan for the State of Colorado in the August 2, 1973 issue of the FEDERAL REGISTER, Volume 38, Number 148, page 20754 is corrected by changing the locations where comments are available for public inspection from the EPA Region VIII Office and the Freedom of Information Center, EPA, 401 M Street, SW., Washington, D.C. 20460 to the EPA Region VIII Office.

Dated: August 7, 1973.

ROBERT L. SANSOM,
Assistant Administrator
for Air and Water Programs.

[FR Doc. 73-16753 Filed 8-10-73; 8:45 am]

Notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF STATE

[Public Notice 395; Delegation of Authority
No. 122-5]

SPECIAL ASSISTANT TO THE SECRETARY FOR FISHERIES AND WILDLIFE AND COORDINATOR OF OCEAN AFFAIRS

Delegation of Authority

Pursuant to the authority vested in me by section 4 of the Act of May 26, 1949, as amended 22 U.S.C. § 2658, I hereby delegate to the Special Assistant to the Secretary for Fisheries and Wildlife and Coordinator of Ocean Affairs the authority to appoint for the U.S. Government members and non-voting technical advisers to the U.S.-Polish Fisheries Conciliation Board, established pursuant to the Agreement Between the Government of the United States of America and the Government of the Polish People's Republic Regarding Fisheries in the Western Region of the Middle Atlantic Ocean (TIAS 7659), and to similarly appoint or designate for the United States members, experts, and advisers to any board similar in purpose and function to the U.S.-Polish Fisheries Conciliation Board and to the American-Soviet Claims Boards, established pursuant to the Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Relating to the Consideration of Claims Resulting from Damage to Fishing Vessels or Gear and Measures to Prevent Fishing Conflicts (TIAS 7575).

This Delegation of Authority amends Delegation of Authority No. 122 of March 3, 1971 (36 FR 4897, March 13, 1971), as amended.

[SEAL]

WILLIAM P. ROGERS,
Secretary of State.

JULY 30, 1973.

[FR Doc.73-16703 Filed 8-10-73;8:45 am]

[Public Notice CM-51]

SHIPPING COORDINATING COMMITTEE, SUBCOMMITTEE ON CODE OF CONDUCT FOR LINER CONFERENCES

Notice of Meeting

A meeting of the Subcommittee on the Code of Conduct for Liner Conferences will be held at 10 a.m. on Thursday, September 20, 1973 in Room 1105, Department of State, Washington, D.C. The meeting will be open to the public.

The participants at the meeting will discuss United States positions on the draft Code of Conduct for Liner Confer-

ences in regard to the October meeting of the Special Group on UNCTAD of the OECD Maritime Transport Committee and regarding the UN Conference of Plenipotentiaries on the Code scheduled to convene November 12, 1973.

For information concerning the meeting, contact Mr. Richard K. Bank, Secretary, Shipping Coordinating Committee, Department of State, Washington, D.C., telephone (area code 202) 632-0704.

Dated: August 6, 1973.

RICHARD K. BANK,
Secretary,

Shipping Coordinating Committee.

[FR Doc.73-16648 Filed 8-10-73;8:45 am]

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

NOTICE OF GRANTING OF RELIEF

Notice is hereby given that pursuant to 18 U.S.C., section 925(c) the following named persons have been granted relief from disabilities imposed by Federal laws with respect to the acquisition, transfer, receipt, shipment, or possession of firearms incurred by reason of their convictions of crimes punishable by imprisonment for a term exceeding one year.

It has been established to my satisfaction that the circumstances regarding the convictions and each applicant's record and reputation are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the relief will not be contrary to the public interest.

Askegard, Delmont Lloyd, 30713 Fourth Avenue SW., Federal Way, Washington, convicted on September 16, 1960, in Superior Court in and for King County, State of Washington.

Cahall, James Wesley, 506 North 96th Place, Mesa, Arizona, convicted on April 21, 1954, in United States District Court, Northern Judicial District of Oklahoma, and on May 19, 1954, in United States District Court for the District of New Mexico.

Iverson, James E., Jr., 11501 84th Avenue South, Seattle, Washington, convicted on July 30, 1965, in Superior Court of the State of Washington.

Washakie, Russell E., Box 254, Fort Washakie, Wyoming, convicted on June 19, 1967, in United States District Court for District of Wyoming.

Webster, Wallace G., 18902 Brady, Detroit, Michigan, convicted on March 18, 1953, in the Circuit Court of Wayne County, Wayne County, Michigan.

Weston, Don, Route 1, Jonesville, Virginia, convicted on June 21, 1968, in the United States District Court, Western District of Virginia.

White, Lester, 111 N. Park Street, Saginaw, Michigan, convicted on May 2, 1955, in Saginaw County Circuit Court, Saginaw, Michigan.

Signed at Washington, D.C., this 6th day of August 1973.

[SEAL]

REX D. DAVIS,
*Director, Bureau of Alcohol,
Tobacco and Firearms.*

[FR Doc.73-16671 Filed 8-10-73;8:45 am]

Comptroller of the Currency

[Delegation Order No. 15]

FIRST DEPUTY COMPTROLLER OF THE CURRENCY ET AL.

Order of Succession To Act as Comptroller

By virtue of the authority vested in me by Treasury Department Order No. 129 (Rev. No. 2), dated April 22, 1955, it is hereby ordered as follows:

1. The following officers in the Bureau of Comptroller of the Currency, in the order of succession enumerated, shall act as Comptroller of the Currency during the absence or disability of the Comptroller of the Currency or when there is a vacancy in such office:

- (1) Justin T. Watson, First Deputy Comptroller of the Currency.
- (2) Thomas G. DeShazo, Deputy Comptroller of the Currency.
- (3) David C. Motter, Deputy Comptroller of the Currency.
- (4) John D. Gwin, Deputy Comptroller of the Currency.
- (5) Robert Bloom, Chief Counsel.
- (6) Dean E. Miller, Deputy Comptroller of the Currency.
- (7) Kenneth W. Leaf, Chief National Bank Examiner.
- (8) William A. Howland, Jr., Deputy Comptroller of the Currency for Administration.
- (9) Richard J. Blanchard, Deputy Comptroller of the Currency.
- (10) Albert J. Faulstich, Deputy Comptroller of the Currency.
- (11) Robert A. Mullin, Deputy Comptroller of the Currency for International Banking.

2. In the event of an enemy attack on the continental United States, all Regional Administrators of National Banks, including any Acting Regional Administrators, are authorized in their respective regions to perform any function of the Comptroller of the Currency, or the Secretary of the Treasury, whether or not otherwise delegated, which is essential to the carrying out of responsibilities otherwise assigned to them. The respective officers will be notified when they are to cease exercising the authority delegated in this paragraph.

3. Delegation Order No. 14 is hereby repealed.

Dated: August 6, 1973.

[SEAL] JAMES E. SMITH,
Comptroller of the Currency.
[FR Doc.73-16670 Filed 8-10-73;8:45 am]

[Order No. 150-82]

COMMISSIONER OF INTERNAL REVENUE
Delegation of Authority To Perform Price Stabilization Functions

Pursuant to the authority vested in me as Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950, and the delegation of authority to me as Secretary of the Treasury by Cost of Living Council Order No. 37, it is ordered that:

1. The authority to perform all functions delegated to me by Cost of Living Council Order No. 37, is hereby redelegated to the Commissioner of Internal Revenue. This authority is to be exercised subject to the policy guidance and discretion of the Director of the Cost of Living Council.

2. The Commissioner may redelegate this authority to any official of the Internal Revenue Service.

This Order shall become effective upon issuance.

Dated: August 9, 1973.

Issued: August 13, 1973.

[SEAL] GEORGE P. SHULTZ,
Secretary of the Treasury.
[FR Doc.73-16879 Filed 8-10-73;11:57 am]

DEPARTMENT OF DEFENSE

Office of the Secretary of Defense
ADVISORY GROUP ON ELECTRON DEVICES

Notice of Meeting

The Department of Defense Advisory Group on Electron Devices (Working Group or Microwave Devices) will meet in closed session at 201 Varick Street, New York, New York 10014, 17 August 1973.

The purpose of the DoD Advisory Group on Electron Devices is to provide the Director of Defense Research and Engineering and the Military Departments with advice and recommendations on the conduct of economical and effective Research and Development programs in the field of electron devices, e.g., lasers, radar tubes, transistors, infrared sensors, etc. The group is also the vehicle for interservice coordination of planned R&D efforts.

In accordance with Public Law 92-463, section 10d, the Director of Defense Research and Engineering has determined, on 28 February 1973, that the meetings of the Advisory Group are matters which fall within policies analogous to those recognized in section 552(b) of title 5 of the United States Code and that the

public interest requires such activities to be withheld from disclosure insofar as the requirements of subsection (a) (1) and subsection (b) of section 10, Public Law 92-463 are concerned.

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

AUGUST 6, 1973.

[FR Doc.73-16643 Filed 8-10-73;8:45 am]

DEPARTMENT OF JUSTICE

Drug Enforcement Administration
MANUFACTURER OF METHADONE INTERMEDIATE

Notice of Withdrawal of Application

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Methadone Intermediate, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,
Drug Enforcement Administration.
[FR Doc.73-16717 Filed 8-10-73;8:45 am]

MANUFACTURER OF DIPRENORPHINE

Notice of Withdrawal of Application

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Diprenorphine, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all pro-

ceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,
Drug Enforcement Administration.
[FR Doc.73-16718 Filed 8-10-73;8:45 am]

MANUFACTURER OF ACETYLMETHADOL

Notice of Withdrawal of Application

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Acetylmethadol, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,
Drug Enforcement Administration.
[FR Doc.73-16719 Filed 8-10-73;8:45 am]

MANUFACTURER OF ALPHACETYLMETHADOL

Notice of Withdrawal of Application

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Alphacetylmethadol, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,
Drug Enforcement Administration.
[FR Doc.73-16720 Filed 8-10-73;8:45 am]

MANUFACTURER OF OXYMORPHONE**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Oxymorphone, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16721 Filed 8-10-73;8:45 am]

MANUFACTURER OF THEBAINE**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Thebaine, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16722 Filed 8-10-73;8:45 am]

MANUFACTURER OF NORMETHADONE**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of

Normethadone, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16723 Filed 8-10-73;8:45 am]

MANUFACTURER OF NORACYMETHADOL**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Noracymethadol, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16724 Filed 8-10-73;8:45 am]

MANUFACTURER OF NALTREXONE**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Naltrexone, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was

withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16725 Filed 8-10-73;8:45 am]

MANUFACTURER OF MORPHINE**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Morphine, a basic class controlled substance listed in Schedule II.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16726 Filed 8-10-73;8:45 am]

MANUFACTURER OF BETAMETHADOL**Notice of Withdrawal of Application**

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Betamethadol, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,

Drug Enforcement Administration.

[FR Doc.73-16727 Filed 8-10-73;8:45 am]

**MANUFACTURER OF
BETACETYLMETHADOL**

Notice of Withdrawal of Application

On July 6, 1973, the Drug Enforcement Administration published a Notice of Application in the FEDERAL REGISTER (38 FR 18046-50) stating that the Monsanto Research Corporation, Dayton, Ohio, had submitted an application for registration as a bulk manufacturer of Betacetylmethadol, a basic class controlled substance listed in Schedule I.

All persons registered to manufacture the basic class in bulk were afforded an opportunity to file written comments on or objections to the issuance of the proposed registration on or before August 15, 1973.

On July 30, 1973, the Monsanto Research Corporation advised the Drug Enforcement Administration that it was withdrawing its application for registration as a bulk manufacturer. The application having been withdrawn, all proceedings relating to application have been terminated.

Dated: August 7, 1973.

JOHN R. BARTELS, Jr.,
Acting Administrator,
Drug Enforcement Administration.

[FR Doc. 73-16728 Filed 8-10-73; 8:45 am]

DEPARTMENT OF THE INTERIOR

National Park Service

**PACIFIC NORTHWEST REGIONAL
ADVISORY COMMITTEE**

Notice of Meeting

Notice is hereby given in accordance with the Federal Advisory Committee Act that a meeting of the Pacific Northwest Regional Advisory Committee will be held at 9:00 a.m. on Wednesday, August 29, 1973, in the Diablo Community Building, Diablo, Washington.

The Committee was established by Public Law 91-383 to provide for the free exchange of ideas between the National Park Service and the public and to facilitate the solicitation of advice or other counsel from members of the public on programs and problems pertinent to the Pacific Northwest Region of the National Park Service.

The members of the Committee are as follows:

Mr. Earl J. Davenport, Olympia, Washington (Chairman); Dr. Robert L. Whitner, Walla Walla, Washington (Secretary); Mr. Leo V. Bodine, Boise, Idaho; Mr. J. Allen Jensen, Idaho Falls, Idaho; Mr. Roger Mellem, Eugene, Oregon; Dr. Richard M. Noyes, Eugene, Oregon; Mr. Wesley A. Phillips, Jr., Seattle, Washington; Mr. John C. Sackett, Fairbanks, Alaska; Honorable Lowell Thomas, Jr., Anchorage, Alaska.

The matters to be discussed at this meeting include new permit systems for backcountry use in Mount Rainier and North Cascades National Parks, reservation systems for campgrounds, environmental impact statements, the McKinley Park Hotel replacement, new area proposals in Alaska, and the status of

study proposals for Thousand Springs, Hagerman Pliocene Fauna Preserve, City of Rocks, and Sawtooths in Idaho.

The meeting will be open to the public. Any person may file with the Committee a written statement concerning the matters to be discussed.

Persons desiring further information concerning this meeting or who wish to file written statements may contact Glenn D. Gallison, Acting Assistant Regional Director, Cooperative Activities, Pacific Northwest Region, National Park Service, at (206) 442-5962. Minutes of the meeting will be available for public inspection three weeks after the meeting at the Pacific Northwest Regional Office, Fourth and Pike Building, Seattle, Washington.

Dated July 31, 1973.

STANLY W. HULETT,
Associate Director,
National Park Service.

[FR Doc. 73-16701 Filed 8-10-73; 8:45 am]

DEPARTMENT OF AGRICULTURE

**Agricultural Stabilization and
Conservation Service**

[Docket No. SH-313-R01]

MAINLAND CANE SUGAR AREA

Notice of Reopening of Hearing on Proportionate Shares for 1974-Crop Sugarcane

Pursuant to the authority contained in section 302 of the Sugar Act of 1948, as amended (7 U.S.C. 1132), notice is hereby given that the Secretary of Agriculture will reopen the public hearing on proportionate shares (farm acreage allotments) for the 1974 crop of Mainland sugarcane.

The reopened hearing will be conducted at West Palm Beach, Florida, on August 24, 1973 in the Ramada Inn, 1800 Palm Beach Lakes Boulevard, beginning at 9:30 a.m. local time.

On July 13, 1973, subsequent to the informal public hearing held last April in Atlanta, Georgia, the Department of Agriculture announced that farm proportionate shares would not be established for the 1974 crop of sugarcane in the Mainland Cane Sugar Area (Florida and Louisiana). That action removed the acreage controls that have been in effect each year since 1965, and gives the area the opportunity to increase its sugar production to a level sufficient to meet its annual quota and provide a normal carryover inventory.

Subsequent to the announcement of an unrestricted 1974-crop proportionate share program, several independent producers in Florida expressed concern that the processor-producer with whom they have customarily marketed their sugarcane will now significantly expand his own acreage and at the same time not afford the independent growers an opportunity to increase their acreage. The independent producers requested that the Department afford them protection under the "small producer" provision of the Sugar Act.

That provision is found in section 302 (b) of the act and reads as follows:

... (5) Whether farm proportionate shares are or are not determined, the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interest of producers who are cash tenants, share tenants, adherent planters, or sharecroppers and of the producers whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions.

The independent growers believe that the Department should amend the 1974 Mainland cane area proportionate share regulation to protect small and independent producers. One manner suggested would be patterned after the protection concept applicable to the Hawaiian sugarcane program. To protect the interests of small producers in Hawaii, the proportionate share regulation, which has been in effect since 1955, establishes proportionate shares subject to practicable conditions for maintaining an equitable production relationship between the farm of the processor-producer and the farms of small producers in the mill area. In other words, the proportionate share for any farm is established at the actual level of production, except that the establishment of the proportionate share for the farm of a processor-producer is subject to conditions designed to maintain the pro rata relationship in the acreage under cultivation to sugarcane between the processor-producer and the small producers in the event of an adjustment in production. There are also provisions permitting modification of the conditions set forth in the Hawaiian proportionate share regulation in cases that arise which are beyond the control of the processor-producer.

The Department believes that another informal public hearing should be held to afford all interested persons an opportunity to present, for consideration by the Secretary, evidence on whether there is sufficient justification for establishing provisions in the Determination of Proportionate Shares for the Mainland Cane Sugar Area to protect the interests of independent sugarcane producers so that they may increase their acreage proportionately with that of the processor-producer. The record and the hearing (identified as Docket No. SH-313-R01) will be reopened for that purpose. The scope of the reopened hearing will be limited to the presentation of evidence on that issue relative and pertinent to the proportionate share program for the 1974 crop of Mainland sugarcane.

To obtain the best possible information, all interested persons are requested to appear at the hearing to express their views, preferably supported in writing by an original and three copies of their oral statement, and to present appropriate evidence in regard to the foregoing matter. Statements may also be submitted in writing (original and two copies) at the hearing without an oral presentation, or they may be mailed to the Director, Sugar

Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, DC 20250, post-marked not later than September 7, 1973.

All written submissions made pursuant to this notice will be made available for public inspection in the Office of the Hearing Clerk, Room 112-A, Administration Building, U.S. Department of Agriculture, Washington, DC (7 C.F.R. 1.27 (b)).

Signed at Washington, DC on August 8, 1973.

KENNETH E. FRICK,
Administrator, Agricultural Stabilization and Conservation Service.

[FR Doc.73-16790 Filed 8-9-73; 2:53 p.m.]

Forest Service

ANTHONY LAKES RECREATION AREA

Notice of Availability of Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a final environmental statement for the Anthony Lakes Recreation Area USDA-FS-FES-(Adm)-73-60.

The environmental statement concerns a proposed management plan for the Anthony Lakes Recreation Area that will provide quality year-long recreation experiences in a scenic, high elevation setting. Specific features include: (a) relocation of recreation activities and development of facilities away from the shoreline of Anthony Lake, (b) relocation and improvement of existing resort facilities, and (c) expansion of the adjacent Anthony Lake Ski Area.

This final environmental statement was filed with CEQ on August 1, 1973.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service
South Agriculture Bldg., Room 3230
12th St. & Independence Ave., S.W.
Washington, D.C. 20250

USDA, Forest Service
Pacific Northwest Region
319 S.W. Pine Street
Portland, Oregon 97204

Wallowa-Whitman National Forest
Federal Building
Baker, Oregon 97814

A limited number of single copies are available upon request to Regional Forester T. A. Schlapfer, Pacific Northwest Region, P.O. Box 3623, Portland, Oregon 97208.

Copies are also available from the National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia, 22151. Please refer to the name and number of the environmental statement above when ordering.

Copies of the environmental statement have been sent to various Federal, state

and local agencies as outlined in the CEQ guidelines.

PHILIP L. THORNTON,
Deputy Chief,
Forest Service.

AUGUST 7, 1973.

[FR Doc.73-16666 Filed 8-10-73; 8:45 am]

MULTIPLE USE PLAN PLEASANT VALLEY PLANNING UNIT

Notice of Availability of Draft Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a draft environmental statement for Multiple Use Plan Pleasant Valley Planning Unit, Forest Service report number USDA-FS-DES (Adm) 73-93.

The environmental statement concerns a proposed implementation of a revised multiple use plan for the Pleasant Valley Planning Unit, Fisher River Ranger District, Kootenai National Forest and located in Lincoln County, Montana. The proposal affects approximately 41,000 acres of National Forest lands which have been stratified into six management situations or units with similar resource implications.

This draft environmental statement was filed with CEQ on August 3, 1973.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service
South Agriculture Bldg., Room 3230
12th St. & Independence Ave., S.W.
Washington, D.C. 20250

USDA, Forest Service
Northern Region
Federal Building
Missoula, Montana 59801

USDA, Forest Service
Kootenai National Forest
418 Mineral Avenue
Libby, Montana 59923

A limited number of single copies are available upon request to Acting Forest Supervisor, Robert W. Damon, Kootenai National Forest, 418 Mineral Avenue, Box AS, Libby, Montana 59923.

Copies are also available from the National Technical Information Service, U.S. Department of Commerce, Springfield, Va. 22151. Please refer to the name and number of the environmental statement above when ordering.

Copies of the environmental statement have been sent to various Federal, State, and local agencies as outlined in the Council on Environmental Quality Guidelines.

Comments are invited from the public and from State and local agencies which are authorized to develop and enforce environmental standards, and from Federal agencies having jurisdiction by law or special expertise with respect to any environmental impact involved for which comments have not been requested specifically.

Comments concerning the proposed

action and requests for additional information should be addressed to Acting Forest Supervisor Robert W. Damon, Kootenai National Forest, 418 Mineral Avenue, Box AS, Libby, Montana 59923. Comments must be received by 9/16/73 in order to be considered in the preparation of the final environmental statement.

PHILIP L. THORNTON,
Deputy Chief,
Forest Service.

AUGUST 7, 1973.

[FR Doc.73-16665 Filed 8-10-73; 8:45 am]

Office of the Secretary

NATIONAL PEANUT ADVISORY COMMITTEE

Notice of Reestablishment

Notice is hereby given that the Secretary of Agriculture has reestablished the National Peanut Advisory Committee for the purpose of advising the Secretary and other officials on domestic and export requirements for peanuts, production adjustment, and stabilization programs, and other matters relating to this commodity. The Secretary has determined that reestablishment of this committee is in the public interest in connection with the duties imposed on the Department by law.

The Chairman of this Committee is the Assistant Secretary for International Affairs and Commodity Programs, U.S. Department of Agriculture, Washington, D.C. 20250.

This notice is given in compliance with Public Law 92-463.

JOSEPH R. WRIGHT, Jr.,
Assistant Secretary
for Administration.

AUGUST 8, 1973.

[FR Doc.73-16667 Filed 8-10-73; 8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration ADVISORY COMMITTEES

Notice of Meetings

Pursuant to the Federal Advisory Committee Act of October 6, 1972 (Public Law 92-463, 86 Stat. 770-776), the Food and Drug Administration announces the following public advisory committee meetings and other required information in accordance with provisions set forth in section 10(a) (1) and (2) of the act:

Committee name	Date, time, place	Type of meeting and contact person
L. Panel on Review of Viral Vaccines and Rickettsial Vaccines.	Aug. 30 and 31, 9 a.m., Room 115, Bldg. 29, National Institutes of Health, 9000 Rockville Pike, Bethesda, Md.	Open Aug. 30, 9 a.m. to 11 a.m., closed Aug. 30 after 11 a.m., closed Aug. 31. Jack Gertzog (BI-5), 5600 Fishers Lane, Rockville, Md. 20852, 301-496-1076.

Purpose. Reviews and evaluates available data concerning the safety, effectiveness, and adequacy of labeling of currently marketed biological products consisting of live, attenuated virus, inactivated virus, or killed inactivated rickettsial microorganisms.

Agenda. Continuing review of viral vaccines and rickettsial vaccines under investigation.

Committee name	Date, time, place	Type of meeting and contact person
2 Diagnostic Products Advisory Committee Statistics Subcommittee.	Aug. 30 and 31, 9 a.m., Conference Room K, Parklawn Bldg., 6600 Fishers Lane, Rockville, Md.	Open Aug. 30, 9 a.m. to 10 a.m., closed Aug. 30 after 10 a.m., closed Aug. 31. Eloise Eavenson, Ph.D., Room 16B-33, 6600 Fishers Lane, Rockville, Md. 20852, 301-413-4500.

Purpose. Reviews and evaluates information pertaining to performance standards for selected diagnostic products, evaluates and recommends appropriate reference methodologies and standards of precision and accuracy for measuring such products, and recommends priorities on presently marketed products for standard setting by FDA.

Agenda. Preliminary meeting to develop statements of performance requirements and appropriate statistical testing procedures for product class standard. Review data for glucose product class standard.

Agenda items are subject to change as priorities dictate.

During the open session shown above, interested persons may present relevant information or views orally to any committee for its consideration. Information or views submitted to any committee in writing before or during a meeting shall also be considered by the committee.

A list of committee members and summary minutes of meetings may be obtained from the contact person for the committee both for meetings open to the public and those meetings closed to the public in accordance with section 10(d) of the Federal Advisory Committee Act.

Most Food and Drug Administration advisory committees are created to advise the Commissioner of Food and Drugs on pending regulatory matters. Recommendations made by the committees on these matters are intended to result in action under the Federal Food, Drug, and Cosmetic Act, and these committees thus necessarily participate with the Commissioner in exercising his law enforcement responsibilities.

The Freedom of Information Act recognized that the premature disclosure of regulatory plans, or indeed internal discussions of alternative regulatory approaches to a specific problem, could have adverse effects upon both public and private interests. Congress recognized that such plans, even when finalized, may not be made fully available in advance of the effective date without damage to such interests, and there-

fore provided that this type of discussion would remain confidential. Thus, law enforcement activities have long been recognized as a legitimate subject for confidential consideration.

These committees often must consider trade secrets and other confidential information submitted by particular manufacturers which the Food and Drug Administration by law may not disclose, and which Congress has included within the exemptions from the Freedom of Information Act. Such information includes safety and effectiveness information, product formulation, and manufacturing methods and procedures, all of which are of substantial competitive importance.

In addition, to operate most effectively, the evaluation of specific drug or device products requires that members of committees considering such regulatory matters be free to engage in full and frank discussion. Members of committees have frequently agreed to serve and to provide their most candid advice on the understanding that the discussion would be private in nature. Many experts would be unwilling to engage in candid public discussion advocating regulatory action against a specific product. If the committees were not to engage in the deliberative portions of their work on a confidential basis, the consequent loss of frank and full discussion among committee members would severely hamper the value of these committees.

The Food and Drug Administration is relying heavily on the use of outside experts to assist in regulatory decisions. The Agency's regulatory actions uniquely affect the health and safety of every citizen, and it is imperative that the best advice be made available to it on a continuing basis in order that it may most effectively carry out its mission.

A determination to close part of an advisory committee meeting does not mean that the public should not have ready access to these advisory committees considering regulatory issues. A determination to close the meeting is subject to the following conditions: First, any interested person may submit written data or information to any committee, for its consideration. This information will be accepted and will be considered by the committee. Second, a portion of every committee meeting will be open to the public, so that interested persons may present any relevant information or views orally to the committee. The period for open discussion will be designated in any announcement of a committee meeting. Third, only the deliberative portion of a committee meeting, and the portion dealing with trade secret and confidential information, will be closed to the public. The portion of any meeting during which non-confidential information is made available to the committee will be open for public participation. Fourth, after the committee makes its recommendations and the Commissioner either accepts or rejects them, the public and the individuals affected by the regulatory decision involved will have an opportunity to express their views on the

decision. If the decision results in promulgation of a regulation, for example, the proposed regulation will be published for public comment. Closing a committee meeting for deliberations on regulatory matters will therefore in no way preclude public access to the committee itself or full public comment with respect to the decisions made based upon the committee's recommendation.

The Commissioner has been delegated the authority under section 10(d) of the Federal Advisory Committee Act to issue a determination in writing, containing the reasons therefor, that any advisory committee meeting is concerned with matters listed in 5 U.S.C. 552(b) which contains the exemptions from the public disclosure requirements of the Freedom of Information Act. Pursuant to this authority, the Commissioner hereby determines, for the reasons set out above, that the portions of the advisory committee meetings designated in this notice as closed to the public involve discussion of existing documents falling within one of the exemptions set forth in 5 U.S.C. 552(b), or matters that, if in writing, would fall within 5 U.S.C. 552(b), and that it is essential to close such portions of such meetings to protect the free exchange of internal views and to avoid undue interference with Agency and committee operations. This determination shall apply only to the designated portions of such meetings which relate to trade secrets and confidential information or to committee deliberations.

Dated: August 6, 1973.

A. M. SCHMIDT,
Commissioner
of Food and Drugs.

[FR Doc. 73-16651 Filed 8-10-73; 8:45 am]

[DESI 9411; Docket No. FDC-D-576; NDA No. 9-411 etc.]

PREPARATIONS CONTAINING MECLIZINE HYDROCHLORIDE AND PYRIDOXINE HYDROCHLORIDE

Notice of Withdrawal of Approval of New Drug Applications

A notice was published in the FEDERAL REGISTER of March 1, 1973 (38 FR 5494), extending to Pfizer Laboratories Division, Pfizer, Inc., 235 East 42nd Street, New York, NY 10017 and any interested person an opportunity for hearing on the proposal of the Commissioner of Food and Drugs to issue an order under section 505(e) of the Federal Food, Drug, and Cosmetic Act withdrawing approval of NDA 9-411 for Bonadonin Tablets and NDA 10-095 for Bonadonin Drops, both containing meclizine hydrochloride and pyridoxine hydrochloride. The basis of the proposed action was the lack of substantial evidence that these drugs are effective for their labeled indications. The drugs are no longer marketed.

All identical, related, or similar products, not the subject of an approved new drug application, are covered by the new drug applications reviewed and are subject to this notice. See 21 CFR 130.40

(37 F.R. 23185, October 21, 1972). Any person who wishes to determine whether a specific product is covered by this notice should write to the Food and Drug Administration, Bureau of Drugs, Office of Compliance (BD-300), 5600 Fishers Lane, Rockville, Maryland 20852.

Neither the holder of the applications nor any other person filed a written appearance of election within the 30 days provided by said notice. The failure to file such an appearance constitutes election by such persons not to avail themselves of an opportunity for hearing.

The Commissioner of Food and Drugs, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 505, 52 Stat. 1053, as amended; 21 U.S.C. 355) and the Administrative Procedure Act (5 U.S.C. 554), and under the authority delegated to him (21 CFR 2.120), finds that on the basis of new information before him with regard to the drugs, evaluated together with the evidence available to him when the applications were approved, there is a lack of substantial evidence that the drugs will have the effect they purport or are represented to have under the conditions of use prescribed, recommended, or suggested in the labeling thereof.

Therefore, pursuant to the foregoing finding, approval of new drug applications Nos. 9-411 and 10-095 and all amendments and supplements thereto are withdrawn.

Shipment in interstate commerce of the above-listed drug products or of any identical, related, or similar products, not the subject of an approved new drug application, is henceforth unlawful.

Effective date. This order shall become effective on August 23, 1973.

Dated: August 6, 1973.

SAM D. FINE,
Associate Commissioner
for Compliance.

[FR Doc.73-16653 Filed 8-10-73; 8:45 am]

[Docket No. FDC-D-636; NADA No. 13-091V]

VINELAND EGG DIP FORMULA 112

Notice of Withdrawal of Approval of New Animal Drug Application

In the FEDERAL REGISTER of June 27, 1973 (38 FR 16926), the Commissioner of Food and Drugs published a notice proposing to withdraw approval of new animal drug application (NADA) No. 13-091V for Vineland Egg Dip Formula 112 (a product which contains erythromycin thiocyanate and riboflavin-5'-phosphate sodium); marketed by Vineland Laboratories, Inc., a Subsidiary of Damon, 2285 East Landis Avenue, Vineland, N.J. 08360.

Vineland Laboratories, Inc. (the successor to Vineland Poultry Laboratories) advised the Commissioner that they do not wish to avail themselves of the opportunity for a hearing.

Therefore, based on the grounds set forth in said notice of opportunity for a hearing, the Commissioner concludes that approval of said NADA should be withdrawn. Therefore, pursuant to pro-

visions of the Federal Food, Drug, and Cosmetic Act (sec. 512, 82 Stat. 343-351; 21 U.S.C. 360b) and under authority delegated to the Commissioner (21 CFR 2.120), approval of NADA No. 13-091V, including all amendments and supplements thereto, is hereby withdrawn effective on August 23, 1973.

Dated: August 3, 1973.

SAM D. FINE,
Associate Commissioner
for Compliance.

[FR Doc.73-16552 Filed 8-10-73; 8:45 am]

Office of the Secretary

COMMISSIONER OF WELFARE (SPECIAL ASSISTANT TO THE SECRETARY)

Change of Title

Part I of the statement of organization, functions, and delegations of authority of the Department of Health, Education, and Welfare is amended to change the title of the special Assistant to the Secretary for Welfare to Commissioner of Welfare (Special Assistant to the Secretary) in Chapter 1A30 (38 FR 15988, 6/19/73). There is no change in the functions. The revised chapter reads as follows:

1A30.10 Organization. The Commissioner of Welfare (Special Assistant to the Secretary) reports directly to the Secretary.

1A30.20 Functions. A. Serves as the Secretary's principal advisor on welfare policy, and administration.

B. Serves as the Secretary's personal representative with State Governors on all welfare matters.

C. Provides recommendations to the Secretary on legislative or regulatory changes to improve the management of State-administered welfare programs.

D. Works with top-level State and local officials to identify major problems in welfare policy and in the administration and management of a State's program of aid to families with dependent children.

E. Serves as the Secretary's advocate for State welfare reforms, by providing guidance and technical assistance to States to encourage the adoption of improvements which solve the problems identified in D above.

F. Works with top-level State officials to develop and implement demonstration projects which examine various approaches to improved management of AFDC programs.

G. Working closely with the project manager for H.R. 1 implementation, carries out the following tasks with regard to the supplementary security income program:

1. Serves as the Secretary's personal liaison with Governors on SSI implementation.

2. Works with SSA and SRS to insure a unified departmental approach to States during the State-to-Federal conversion process.

3. Working with SSA, provides onsite technical assistance to resolve major Federal/State differences in areas such

as contracts for State supplementation and records conversion.

Dated August 7, 1973.

THOMAS S. McFEE,
Acting Assistant Secretary for
Administration and Management.

[FR Doc.73-16661 Filed 8-10-73; 8:45 am]

NATIONAL PROFESSIONAL STANDARDS REVIEW COUNCIL

Notice of Meeting

The National Professional Standards Review Council, which was established to advise the Secretary of the Department of Health, Education and Welfare on the administration of professional standards review (Title XI, Part B, Social Security Act), will meet on Monday and Tuesday, August 27-28, 1973. Monday, August 27 the Council will meet from 9:00-5:00 and Tuesday, August 28 from 9:00-1:00 at the Parklawn Building, 5600 Fishers Lane, 3rd Floor, Conference Room G-H, Rockville, Maryland. Professional standards review is the procedure to assure that the services for which payment may be made under the Social Security Act are medically necessary and conform to appropriate professional standards for the provision of quality health care. The Council's agenda will include reports from the Subcommittees on Data and Norms, Evaluation and Policy Development. The Council will be briefed on developments at the National and Regional level in the implementation of professional standards review since the last meeting. The meeting is open to the public.

Dated: August 2, 1973.

WILLIAM I. BAUER, M.D.,
Executive Secretary, National
Professional Standards Review
Council.

[FR Doc.73-16660 Filed 8-10-73; 8:45 am]

NATIONAL PROFESSIONAL STANDARDS REVIEW COUNCIL SUBCOMMITTEE ON POLICY DEVELOPMENT

Notice of Meeting

The National Professional Standards Review Council Subcommittee on Policy Development will meet on Wednesday, August 15. This Subcommittee was formed to review issues of importance in the implementation of Title XI, Part B, Social Security Act with respect to the policy ramifications of the PSRO program. The meeting will be held from 9:00 a.m. to 4:00 p.m. at the Hilton Inn, St. Louis, Missouri. Professional standards review is the procedure to assure that the services for which payment may be made under the Social Security Act are medically necessary and conform to appropriate professional standards for the provision of quality care. The Subcommittee's agenda will consist of a discussion of issues bearing on the designation of PSRO areas and consideration

of a work plan for future subcommittee attention. The meeting is open to the public.

Dated: August 7, 1973.

WILLIAM I. BAUER,
Executive Secretary, National
Professional Standards Re-
view Council.

[FR Doc.73-16824 Filed 8-10-73;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. D-73-248]

COMMUNITY DEVELOPMENT CORPORATION

Designation of Authority

Clifford W. Graves and Edward M. Lamont are authorized to exercise the authority of the General Manager to carry out the executive management of the Community Development Corporation as provided in its bylaws during the absence of the General Manager.

Supersedure. Previous delegations of authority dated February 15, 1972 and published in the FEDERAL REGISTER on July 21, 1972 (37 FR 14651) and February 16, 1972 published in the FEDERAL REGISTER on May 6, 1972 (37 FR 9251) to act on behalf of the General Manager are superseded as of the effective date of this designation.

(Secs. 726, 729 Title VII of the Housing and Urban Development Act of 1970, 42 U.S.C. 4501 et seq.; Bylaws of Community Development Corporation, 37 FR 10665, May 26, 1972)

Effective date. This designation is effective as of July 1, 1973.

JAMES T. LYNN,
Secretary, Department of Housing
and Urban Development;
Chairman, Community Development
Corporation.

[FR Doc.73-16703 Filed 8-10-73;8:45 am]

[Docket No. D-73-247]

REGIONAL COUNSELS

Amendment to Redlegation of Authority

The Department is amending the redlegation of authority to Regional Counsels with respect to tort claims issued November 29, 1972 (37 FR 25251). This amendment would permit claims filed by, or on behalf of, a HUD employee if the claim is for property damage resulting from a tortious action or omission of another Department employee acting within the scope of his employment.

Accordingly, paragraph 3 of the redlegation of authority cited above is revised to read as follows:

3. The claim if filed by, or on behalf of, a HUD employee is solely for property damage resulting from the wrongful or negligent act or omission of another HUD employee while acting within the scope of his employment.

(Sec. 7(d), Department of HUD Act, 42 U.S.C. 3535(d))

Effective date. This redlegation of authority is effective August 7, 1973.

JAMES L. MITCHELL,
General Counsel.

[FR Doc.73-16657 Filed 8-10-73;8:45 am]

Federal Disaster Assistance Administration

[Docket No. NFD-120]

NEW JERSEY

Notice of Major Disaster and Related Determinations

Pursuant to the authority vested in the Secretary of Housing and Urban Development by the President under Executive Order 11725 of June 27, 1973; and delegated to me by the Secretary under Department of Housing and Urban Development Delegation of Authority, Docket No. D-73-238; and by virtue of the Act of December 31, 1970, entitled "Disaster Relief Act of 1970" (84 Stat. 1744), as amended by Public Law 92-209 (85 Stat. 742); notice is hereby given that on August 7, 1973, the President declared a major disaster as follows:

I have determined that the damage in certain areas of the State of New Jersey resulting from severe storms and flooding, beginning about August 1, 1973, is of sufficient severity and magnitude to warrant a major disaster declaration under Public Law 91-606. I therefore declare that such a major disaster exists in the State of New Jersey. You are to determine the specific areas within the State eligible for Federal assistance under this declaration.

Notice is hereby given that pursuant to the authority vested in the Secretary of Housing and Urban Development under Executive Order 11725, and delegated to me by the Secretary under Department of Housing and Urban Development Delegation of Authority, Docket No. D-73-238, to administer the Disaster Relief Act of 1970 (Public Law 91-606, as amended), I hereby appoint Mr. Thomas R. Casey, HUD Region 2, to act as the Federal Coordinating Officer to perform the duties specified by Section 201 of that Act for this disaster.

I do hereby determine the following areas in the State of New Jersey to have been adversely affected by this declared major disaster:

The Counties of:

Essex	Somerset
Middlesex	Union

This disaster has been designated as
FDAA-402-DR.

Dated: August 7, 1973.

THOMAS P. DUNNE,
Administrator, Federal
Disaster Assistance Administration.

(Catalog of Federal Domestic Assistance Program No. 60.002, Disaster Assistance.)

[FR Doc.73-16658 Filed 8-10-73;8:45 am]

ATOMIC ENERGY COMMISSION

[Docket No. 50-271]

VERMONT YANKEE NUCLEAR POWER CORP.

Notice of Oral Argument

In the Matter of VERMONT YANKEE NUCLEAR POWER CORP. (Vermont Yankee Nuclear Power Station).

Notice is hereby given that oral argument on the petition for reconsideration filed by the regulatory staff in the above-captioned proceeding has been scheduled in accordance with the Atomic Safety and Licensing Appeal Board's Order of August 8, 1973, for Tuesday, August 14, 1973, at 1:30 p.m. in the first floor hearing room, Woodmont Building, 8120 Woodmont Avenue, Bethesda, Maryland.

For the Atomic Safety and Licensing Appeal Board.

Dated: August 9, 1973.

MARGARET E. DU FLO,
Secretary to the Appeal Board.

[FR Doc.73-16786 Filed 8-10-73;8:45 am]

CIVIL AERONAUTICS BOARD

[Docket 25280]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Relating to Specific Commodity Rates

AUGUST 3, 1973.

An agreement¹ has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers and other carriers, embodied in the resolutions of Traffic Conference 1 of the International Air Transport Association (IATA). The agreement, which was adopted at the 34th meeting of the TC1 Specific Commodity Rates Board held in Mexico City on May 17, 1973, has been assigned the above C.A.B. agreement number.

The agreement proposes revisions to the specific commodity rate structure applicable within the Western Hemisphere. These revisions, insofar as they would affect air transportation, are outlined in the attachments hereto, and reflect both reductions and increases from the presently applicable rates.

Pursuant to authority duly delegated by the Board in the Board's Regulations, 14 CFR 385.14, it is not found that the subject agreement is adverse to the public interest or in violation of the Act, provided that approval is subject to the conditions hereinafter ordered.

Accordingly, it is ordered, That:
1. Agreement C.A.B. 23732 be and hereby is approved, provided that ap-

¹ Filed as part of original document.

approval shall not constitute approval of the specific commodity descriptions contained therein for purposes of tariff publication; and

2. The U.S.- and foreign-flag carriers may file tariffs implementing this agreement on not less than one day's notice for effectiveness not earlier than August 13, 1973.

Persons entitled to petition the Board for review of this order pursuant to the Board's Regulations, 14 CFR 385.50, may file such petitions within ten days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

JAMES L. DEEGAN,

Chief, Passenger and Cargo Rates
Division, Bureau of Economics.

[SEAL] PHYLLIS T. KAYLOR,
Acting Secretary.

[FR Doc.73-16746 Filed 8-10-73;8:45 am]

DEFENSE SUPPLY AGENCY

DEFENSE CONTRACT ADMINISTRATION SERVICES

Notice of Proposed Cancellation of Contracts

The following letter is published in accordance with the requirements of 41 CFR 60-1.26(b) (2) (i) and (ii):

DCAS-VO

Mr. L. M. PEARCE, JR., President,
Waukesha-Pearce Industries, Inc.,
12330 South Main Street,
Houston, Texas 77035.

DEAR MR. PEARCE: On 13 February 1973 an onsite Equal Employment Opportunity compliance review was initiated at Waukesha-Pearce Industries, Incorporated, Houston, Texas to determine its compliance posture under provisions of Executive Order (EO) 11246 as amended by EO 11375 and Department of Labor Rules and Regulations, 41 Code of Federal Regulations (CFR), Chapter 60.

At that time the Executive Vice President of your company stated that no Affirmative Action Program (AAP) had been developed for the Houston facility or for any of 18 other facilities in Texas, Louisiana, New Mexico and Oklahoma. Failure to develop an AAP for each facility places the company in non-compliance with EO 11246 as amended by EO 11375 and 41 CFR Part 60.

The status of noncompliance was brought to your attention by a letter from the Commander, Defense Contract Administration Services Region (DCASR), Dallas under date of 15 February 1973 wherein you were given 30 days from date of receipt of the letter to show cause why enforcement proceedings under Section 209(b) EO 11246, as amended, should not be instituted. On 2 March 1973 the DCASR, Dallas offered your company technical assistance in the development of the required AAP's but the offer was rejected.

In view of your continuing noncompliance you are hereby notified of proposed cancellation or termination of existing U.S. Govern-

ment contracts or subcontracts, if any, and debarment from future contracts and subcontracts with the U.S. Government. This action is pursuant to EO 11246 and 41 CFR Part 60-1.

Waukesha-Pearce Industries, Incorporated may, within 14 days after receipt of this notice, request a formal hearing, in accordance with 41 CFR 1.26 and the Department of Defense Directive No. 1100.11, copy enclosed, issued pursuant to Section 201 of EO 11246.

Sincerely,

WALLACE H. ROBINSON, JR.,
Lieutenant General, USMC
Director.

[FR Doc.73-16705 Filed 8-10-73;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

COMPLIANCE SCHEDULES: WEST VIRGINIA

Approval of Public Hearing Procedure

On December 9, 1972 (37 FR 26310), the Administrator amended 40 CFR Part 51 to clarify requirements relative to compliance schedules adopted as part of State implementation plans under Section 110 of the Clean Air Act, as amended (42 U.S.C. 1857c-5). Included in these revisions were requirements related to public hearings. Section 51.4(e) of these requirements specified that, subject to the Administrator's approval, States may use their own procedures to satisfy the public hearing requirements if such procedures carry out the intent of the Clean Air Act for public participation.

On June 1, 1973 and in subsequent letters of clarification on June 8 and June 15, 1973, the West Virginia Air Pollution Control Commission submitted to the EPA Regional Office in Philadelphia a request for approval of State procedures for giving notice of public hearings on compliance schedules. The procedures meet all requirements of § 51.4 with the exception of the 30-day notice. A shorter notice period would enable the West Virginia Air Pollution Control Commission to submit compliance schedules in sufficient time so that the necessity for an EPA promulgation of such schedules on August 15, 1973 might be avoided. Accordingly, West Virginia has proposed that a 20-day notice period be substituted for the normal 30-day requirement to permit the Commission to make any necessary changes in the schedules. This substitution would affect only the hearings dealing with compliance schedules for approximately 150 sources covered by West Virginia's Regulation X.

The Administrator has determined that the West Virginia procedures for notice of public hearings on compliance schedules to be submitted pursuant to 40 CFR 51.15(a)(2), although different from the requirements of 40 CFR 51.4(b), do provide for adequate notice to and permit participation by the public and such procedures are hereby approved. This approval is conditioned upon the requirement that notice under

¹ Filed as part of original document.

such procedures shall not be less than 20 days prior to the date of any such hearing, and is expressly limited to hearings for compliance schedules for sources subject to West Virginia's Regulation X, §§ 3.01, 3.03, and 3.05. All future submissions of proposed portions of West Virginia's implementation plan must meet the 30-day notice requirement.

Copies of the request for approval are available for public inspection at the U.S. Environmental Protection Agency, Region III Office, 6th and Walnut Streets, Philadelphia, Pennsylvania 19106. This approval is effective August 13, 1973.

Dated: August 3, 1973.

ROBERT W. FRI,
Acting Administrator.

[FR Doc.73-16752 Filed 8-10-73;8:45 am]

E. I. DU PONT DE NEMOURS & CO., INC.

Notice of Filing of Pesticide and Food Additive Petitions

Pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 408 (d) (1), 409(b) (5), 68 Stat. 512, 72 Stat. 1786; 21 U.S.C. 346a(d) (1), 348(b) (5)), notice is given that a petition (PP 3F410) has been filed by E. I. du Pont de Nemours & Co., Inc., Wilmington, DE 19898, proposing establishment of a tolerance (40 CFR Part 180) for combined residues of the fungicide benomyl (methyl 1-(butylcarbamoyl)-2-benzimidazolecarbamate) and its metabolites containing the benzimidazole moiety (calculated as benomyl) in or on the raw agricultural commodity citrus fruit at 10 parts per million (from preharvest and/or postharvest application).

Notice is also given that the same firm has filed a related food additive petition (FAP 3H5033) proposing establishment of a food additive tolerance (21 CFR Part 121) for combined residues of the fungicide and its metabolites containing the benzimidazole moiety (calculated as benomyl) in dried citrus pulp at 50 parts per million resulting from preharvest and/or postharvest application of the fungicide to citrus fruit.

The analytical method proposed in the pesticide petition for determining residues of the fungicide is that of H. L. Pease and R. F. Holt, "Journal of the Association of Official Analytical Chemists", vol. 54, pp. 1399-1402 (1971).

Dated: August 8, 1973.

HENRY J. KOPP,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc.73-16747 Filed 8-10-73;8:45 am]

MONSANTO CO.

Notice of Filing of Petition Regarding Pesticide Chemical

Pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408 (d) (1), 68 Stat. 512; 21 U.S.C. 346a (d) (1)), notice is given that a petition (PP3F1406) has been filed by Monsanto Co., 800 North Lindbergh Boulevard, St.

Louis, MO 63166, proposing establishment of tolerances (40 CFR Part 180) for combined negligible residues of the herbicide alachlor (2-chloro-2',6'-diethyl-N-(methoxymethyl)acetanilide) and its metabolites (calculated as 2-chloro-2',6'-diethyl-N-(methoxymethyl)acetanilide) in or on the raw agricultural commodities forages of field beans, lima beans, and peas at 0.2 part per million and field beans, green lima beans (determined on green lima beans after removing any pod present when marketed), and peas with pods (determined on peas after removing any pod present when marketed) at 0.1 part per million.

The analytical method proposed in the petition for determining residues of the herbicide and its metabolites is a procedure in which the residue is refluxed in acid to remove the methoxymethyl group followed by cleavage of the anilide. The resulting 2,6-diethylaniline is determined by means of a gas-liquid chromatograph with a flame ionization detector.

Dated: August 8, 1973.

HENRY J. KORB,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 73-16749 Filed 8-10-73; 8:45 am]

UNION CARBIDE CORP.

Notice of Filing of Petition Regarding Pesticide Chemical

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(1), 68 Stat. 512; 21 U.S.C. 346a (d)(1)), notice is given that a petition (PP 3F1414) has been filed by Union Carbide Corp., 1730 Pennsylvania Avenue, NW., Washington, DC 20006, proposing establishment of tolerances (40 CFR Part 180) for combined residues of the insecticide and nematocide aldicarb (2-methyl-2-(methylthio) propionaldehyde O-(methylcarbamoyl) oxime) and its cholinesterase-inhibiting metabolites aldicarb sulfoxide and aldicarb sulfone in or on the raw agricultural commodities potatoes at 1 part per million, peanut hulls at 0.5 part per million, and peanuts at 0.1 part per million.

The analytical methods proposed in the petition for determining combined residues of aldicarb and its cholinesterase-inhibiting metabolites are gas chromatographic procedures using flame-photometric detection.

Dated: August 8, 1973.

HENRY J. KORN,
Deputy Assistant Administrator
for Pesticide Programs.

[FR Doc. 73-16748 Filed 8-10-73; 8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

[Report No. 660]

COMMON CARRIER SERVICES INFORMATION¹

Domestic Public Radio Services Applications Accepted for Filing²

AUGUST 6, 1973.

Pursuant to §§ 1.227(b)(3) and 21.30 (b) of the Commission's rules, an application, in order to be considered with any domestic public radio services application appearing on the attached list, must be substantially complete and tendered for filing by whichever date is earlier: (a) The close of business one business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing. An application which is subsequently amended by a major change will be considered to be a newly filed application. It is to be noted that the cut-off dates are set forth in the alternative—applications will be entitled to consideration with those listed in the appendix if filed by the end of the 60-day period, only if the Commission has not acted upon the application by that time pursuant to the first alternative earlier date. The mutual exclusivity rights of a new application are governed by the earliest action with respect to any one of the earlier filed conflicting applications.

The attention of any party in interest desiring to file pleadings pursuant to section 309 of the Communications Act of 1934, as amended, concerning any domestic public radio services application accepted for filing, is directed to § 21.27 of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

FEDERAL COMMUNICATIONS COMMISSION,

VINCENT J. MULLINS,
Acting Secretary.

APPENDIX

APPLICATIONS ACCEPTED FOR FILING

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

20089-C2-TC-74 Hanford Mobile Radio, Inc. (KMD988) Consent to Transfer of Control from Donald R. Cook, Transferor to American District Telegraph Company, Transferee. Station: KMD988, Hanford, California.

20090-C2-ML-74 Rad Com Electronics, Inc. (KRS650) C.P. to change frequency to operate on 152.09 MHz at Loc. #1: Neilton Point, 1.7 miles SSE, Neilton, Washington

¹ All applications listed in the appendix are subject to further consideration and review and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations and other requirements.

² The above alternative cut-off rules apply to those applications listed in the appendix as having been accepted in Domestic Public Land Mobile Radio, Rural Radio, Point-to-Point Microwave Radio and Local Television Transmission Services (Part 21 of the Rules).

and to add a control point to be located at 2222 Simpson Avenue, Aberdeen, Washington.

20091-C2-TC-(2)-74 Allegheny Mobile Telephone Company, Inc. (KGA252) (KWB 370). Consent to Transfer of Control from Ben Parkas, et al. (Controlling Stockholders), Transferor to Digital Paging Systems, Inc., Transferee. Stations: KGA252, McKeesport, Pennsylvania, KWB370, Pittsburgh, Pennsylvania.

20093-C2-P-74 Clifton Forge-Waynesboro Telephone Company, (New) C.P. for a new station to operate on 152.84 MHz to be located at approximately 3 miles North of Waynesboro, Virginia.

20094-C2-P-74 West Jersey Telephone Company (KU0562) C.P. to replace transmitter operating on 158.10 MHz located at 3.2 miles South of Belvidere, Warren, New Jersey.

20095-C2-P-(2)-74 Phone Depots, Inc. d/b as Mobilphone Radio System (KEA254) C.P. to add transmitters to operate on 454.350 and 152.21 MHz at Loc. #4: 400 N. Grandview Avenue at N.J. Twp., Edison, New Jersey.

20096-C2-P-74 South Shore Radio-Telephone, Inc. (New) C.P. for a new two-way station to operate on 454.225 located at 9355 Joliet Road, La Grange, Illinois.

20097-C2-TC-(18)-74 Fresno Mobile Radio, Inc. (KLF649, etc.) Consent to Transfer of Control from Donald R. Cook, Transferor to American District Telegraph Company, Transferee.

20098-C2-R/ML-74 South Central Bell Telephone Company (KLF514) Renewal of Developmental license expiring July 12, 1973. TERM: July 12, 1973 to July 12, 1974. Renewals of licenses expiring July 1, 1973. Term: July 1, 1973 to July 1, 1978.

Licensee

Call sign

Chesnee Telephone Co., Inc. KUA284
Coastal Utilities, Inc. KIY723
Fairmount Telephone Co., Inc. KIY629

Correction

9090-C2-MP-73 Illinois Bell Telephone Company, Chicago, Illinois. Correct PN to read a med to change antenna system at Loc. No. 6 and delete Loc. No. 4 only. All other particulars are to remain as reported on PN No. 653 dated June 18, 1973.

Informative

It appears that the following applications may be mutually exclusive and subject to the Commission's Rules regarding ex parte presentations, by reasons of potential electrical interference.

Massachusetts—Barnstable

Zipcall (KCB890) 6384-C2-P-72
Colgan Communication (New) 5055-C2-P-72

RURAL RADIO SERVICE

60021-C6-P-74 (KZI23) The Pacific Telephone and Telegraph Company, C. P. to change antenna system, change frequency, change points of communication, change power and replace transmitter to operate on 459.550 and 459.475 MHz located at Brooks Island, Richmond Inner Harbor, Richmond, California.

60022-C6-P-74 Penasco Valley Telephone Cooperative, Inc. (New) C. P. for a new rural subscriber station to operate on 157.80 and 157.98 MHz to be located at 11 miles west of U.S. 285 on State Highway 13, Chaves, New Mexico.

60023-C6-ML-74 RCA Alaska Communications, Inc. Modification of License to replace antenna system to operate on 89.1 MHz located at Gartina Highway at Alaska

Telephone Company Van, Hoonah Village, Alaska.

60024-C6-P-74 Southwestern Bell Telephone Company (New) C. P. for a new station to operate on 157.80 MHz located at 19 miles east of Stamford near the Brazos River, Shackelford, Texas.

60025-C6-TC-74 Hanford Mobile Radio, Inc. (KNG51) Consent for Transfer of Control from Donald R. Cook, Transferor to American District Telegraph Company, Transferee. Station: KNG51, Fresno, California.

POINT-TO-POINT MICROWAVE RADIO SERVICE

262-C1-P-74 Continental Telephone Company of California. (KM42). Oregon Mtn., 2.5 Miles SW of Weaverville, California. Lat. 40 43 09 N. -Long. 122 58 47 W. C.P. to change frequency 6255H to 6256.5H toward Trinity Center, California via Passive Reflector on azimuth 37° 32'; change emission from 3200F9 to 18200F9.

263-C1-P-74 Same. (KMW63). Trinity Center, California. Lat. 40 59 07 N. -Long. 122 42 13 W. C.P. to change frequency 6135H to 6034.2H toward Trinity Center, California via Passive Reflector on azimuth 33° 55'; change emission from 3200F9 to 18200F9.

264-C1-P-74 Northwestern Bell Telephone Company. (KYO61). 1100 Jackson St., Sidney, Nebraska. Lat. 41 08 39 N. -Long. 102 58 40 W. C.P. to remove 1 transmitter and change power from 0.5 to 2.0 on frequencies 6241.7H, 63900H, 11605.0H MHz toward Sunol, Nebr. on azimuth 101° 07'.

265-C1-P-74 Same. (KYO62). 3.4 miles SW of Sunol, Nebraska. Lat. 41 07 04 N. -Long. 102 48 04 W. C.P. to remove transmitter and change power from 0.5 to 2.0 on frequencies 5989.7H, 6108.3H, 11155.0H toward Sidney, Nebr. on azimuth 281° 14'.

266-C1-P-74 Southern Bell Telephone and Telegraph Company. (KIV59). 111 East 5th Street, Panama City, Florida. Lat. 30 09 26 N. -Long. 85 39 34 W. C.P. to add frequencies 3770H, 3850H, 3930H, 4170H MHz toward Mule Creek, Fla. on azimuth 99° 26', change antenna system, antenna location and replace transmitters on frequencies 3770V, 3850V, 4170V; add frequencies 3930V, 4010V, MHz toward Merial Lake, Fla.

267-C1-P-74 Same. (New) 8.8 Miles East of Callaway, Fla. Lat. 30 07 25 N. -Long. 85 25 42 W. C.P. for a new station on frequencies: 3730H, 3810H, 3890H, 4130H toward Panama City, Fla. on azimuth 279° 33'; 3730H, 3810H, 3890H, 4130H, 4198V toward Overstreet, Fla. on azimuth 146° 26'.

268-C1-P-74 Same. (New) 2 1/2 Miles East of Overstreet, Fla. Lat. 29 59 26 N. -Long. 85 19 37 W. C.P. for a new station on frequencies: 3770H, 3850H, 3930H, 4170H, 4190V toward Mule Creek, Fla. on azimuth 326° 29'; 3770V, 3850V, 3930V, 4170V, 4190H toward Willis Landing, Fla. on azimuth 90° 02'.

269-C1-P-74 Same. (New). 4 Miles West of Willis Landing, Fla. Lat. 29 59 25 N. -Long. 85 07 13 W. C.P. for a new station on frequencies: 3730V, 3810V, 3890V, 4130V, 4198H toward Overstreet, Fla. on azimuth 270° 08'; 3730H, 3810H, 3890H, 4130H, 4198V toward Creels, Fla. on azimuth 133° 22'.

270-C1-P-74 Same. (New). Approx. .5 Mile South of Creels, Fla. Lat. 29 48 55 N. -Long. 84 54 29 W. C.P. for a new station on frequencies: 3770H, 3850H, 3930H, 4170H, 4190V toward Willis Landing, Fla. on azimuth 313° 29'; 3770H, 3850H, 3930H, 4170H, 4190V toward Harbeson City, Fla. on azimuth 68° 38'.

271-C1-P-74 Southern Bell Telephone and Telegraph Company. (New). 3/4 Mile North of Harbeson City, Florida. Lat. 29 54 26 N. -Long. 84 38 15 W. C.P. for a new station on frequencies: 3730H, 3810H, 3890H,

4130H, 4198V toward Creels, Florida on azimuth 248° 46'; frequencies 3730H, 3810H, 3890H, 4130H, 4198V toward Panacea, Fla. on azimuth 59° 22'.

272-C1-P-74 Same. (New). NE corner of East Street and Walker Avenue, Panacea, Florida. Lat. 30 01 48 N. -Long. 84 23 56 W. C.P. for new station on frequencies: 3770H, 3850H, 3930H, 4170H, 4190V toward Harbeson City, Fla. on azimuth 239° 29'; 3770H, 3850H, 3030H, 4170H, 4190V toward Newport, Fla. on azimuth 48° 47'.

273-C1-P-74 Same. (New). 1.5 Miles NE of Newport, Fla. Lat. 30 12 46 N. -Long. 84 09 30 W. C.P. for new station on frequencies: 3730H, 3810H, 3890H, 4130H, 4198V toward Panacea, Fla. on azimuth 228° 54'; 3730V, 3810V, 3890V, 4130V, 4198H toward Cabbage Grove, Fla. on azimuth 89° 33'; 3730H toward Tallahassee, Fla. on azimuth 335° 23'.

274-C1-P-74 Same. (New). 4.4 Miles East of Cabbage Grove, Fla. Lat. 30 12 53 -Long. 83 48 03 W. C.P. for new station on frequencies: 3770V 3850V, 3930V, 4170V, 4190H toward Newport, Fla. on azimuth 259° 44'; 3770H, 3850H, 3930H, 4170H, 4190V toward Pineland, Fla. on azimuth 129° 03'.

275-C1-P-74 Same. (New). St. Road No. 356A, Pineland, Fla. Lat. 30 01 11 N. -Long. 83 31 39 W. C.P. for new station on frequencies: 3730H, 3810H, 3890H, 4130H, 4198V toward Cabbage Grove, Fla. on azimuth 309° 11'; 3730V, 3810V, 3890V, 4130V, 4198H toward Cocks Hammock, Fla. on azimuth 115° 15'.

276-C1-P-74 Same. (New). 4.2 Miles SE of Cocks Hammock, Florida. Lat. 29 53 38 N. -Long. 83 13 11 W. C.P. for new station on frequencies: 3770V, 3850V, 3930V, 4170V, 4190H toward Pineland, Fla. on azimuth 295° 24'; 3770V, 3850V, 3930V, 4170V, 4190H toward Hildreth, Fla. on azimuth 78° 19'.

277-C1-P-74 Same. (New). 2 Miles East of Branford, Fla. Lat. 29 57 10 N. -Long. 82 53 28 W. C.P. for new station on frequencies: 3730V, 3810V, 3890V, 4130V, 4198H toward Cocks, Fla. on azimuth 258° 29'; 3730H, 3810H, 3890H, 4130H, 4190V toward Ellsville, Fla. on azimuth 90° 51'.

278-C1-P-74 Same. (New). 4.7 Miles SE of Ellsville, Fla. Lat. 29 56 53 N. -Long. 82 33 29 W. C.P. for new station on frequencies: 3770H, 3850H, 3930H, 4170H, 4198V toward Hildreth, Fla. on azimuth 271° 01'.

279-C1-P-74 Same. (KJM34). 124 South Eugene Street, Greensboro, N.C. Lat. 36 04 19 N. -Long. 79 47 42 W. C.P. to replace transmitter and to add frequency 6152.8H toward Thomasville, N.C. on azimuth 222° 49'.

280-C1-P-74 Southern Bell Telephone and Telegraph Company. (KJM33). 3 Miles SE of Thomasville, N.C. Lat. 35 50 22 N. -Long. 80 03 33 W. C.P. to change antenna system, replace transmitter and to add frequencies: 6375.2H toward Greensboro, N.C. on azimuth 42° 39'; 6182.4V toward Winston Salem, N.C. on azimuth 329° 01'.

281-C1-P-74 Same. (KJM32). 629 West Fifth Street, Winston Salem, N.C. Lat. 36 05 57 N. -Long. 80 15 05 W. C.P. to change antenna system, replace transmitter and add frequency 6137.9V toward Thomasville, N.C. on azimuth 148° 55'.

306-C1-P-74 Eastern Microwave, Inc. (KYZ74). 1.55 Miles WSW of Highland Lakes, New Jersey. Lat. 41 10 01 N. -Long. 74 30 12 W. C.P. to change antenna system, and add frequencies: 11155.0V, 10915.0V, 11075.0V, 10835.0V MHz toward Bowling Green, New Jersey on azimuth 189° 12'.

307-C1-P-74 Same. (New). Approx. 0.2 Miles N of Montclair, New Jersey. Lat. 40 51 48 N. -Long. 74 12 01 W. C.P. for a new station on frequencies: 10995.0H, 11155.0H, 10835.0H

MHz toward Bowling Green, New Jersey on azimuth 299° 43'; 10955.0V, 10715.0V, 10875.0V, 11115.0V MHz toward New York City, New York on azimuth 119° 30'.

308-C1-P-74 Same. (New). Gulf and Western Bldg., 15 Columbus Circle, New York, New York. Lat. 40 46 09 N. -Long. 73 58 55 W. C.P. for a new station on frequencies: 11445.0V, 11605.0V, 11365.0V MHz toward Montclair, New Jersey, on azimuth 299° 39'.

309-C1-P-74 Same. (New). Approx. 0.7 Miles West of Perersburg, New Jersey. Lat. 41 00 31 N. -Long. 74 32 14 W. C.P. for a new station on frequencies: 11445.0H, 116.0H, 11365.0H MHz toward Highland Lakes, New Jersey on azimuth 9° 11'; 11045.0V, 11325.0V, 11245.0V, 11485.0V MHz toward Montclair, New Jersey on azimuth 119° 30'.

310-C1-P-74—American Telephone and Telegraph Company. (KLD52). 5.6 Miles SW of Star, Mississippi. Lat. 32 02 38 N. -Long. 90 07 12 W. C.P. to add frequency 3910H toward Jackson, Mississippi on azimuth 347° 40'.

311-C1-P-74 Same. (KKN22). 201 East Capital Street, Jackson, Mississippi. Lat. 32 17 58 N. -Long. 90 11 09 W. C.P. to add frequency 3870H toward Jackson, Mississippi on azimuth 167° 37'.

321-C1-P-74 Midwestern Relay Company (WLJ47). 2.5 Miles E of North Prairie, Wisconsin. Lat. 42 55 52 N. -Long. 88 21 05 W. C.P. to add frequencies 6034.2H, 6093.5H and 6123.1V MHz toward a new point of communication at Allen Grove, Wisconsin, on azimuth 219° 42'.

322-C1-P-74 Midwestern Relay Company (New). 1 mile S of Allens Grove, Wisconsin. Lat. 42 33 55 N. -Long. 88 45 39 W. C.P. for a new station. Frequencies: 6197.2H and 6375.2H MHz toward Rockford, Illinois. (Studios of WREX-TV) on azimuth 233° 06' and frequencies 6197.2V and 6315.9V MHz toward Rockford, Illinois. (Studios of WTVO-TV) on azimuth 227° 42'.

(Informative: Applicant is proposing to provide Network and occasional Video service (Via power split) to TV stations in Rockford, Ill.).

Informative: File Nos. 1876 thru 1883-C1-P-72 and 1139-C1-P-73 (United Video, Inc.), and 715 thru 716-C1-P-73 (KHC Microwave Corporation) are amended to change applicant to United Wehco, Research Associates requests dismissal of its applications file nos. 1807 thru 1818-C1-P-73 upon grant of above applications to United Wehco. See Public Notice Report No. 615 dated September 25, 1972.

MAJOR AMENDMENTS

5601-C1-P-73 New England Telephone and Telegraph Company. Brockton, Mass. (WQN63). Increase power to 12 watts toward Plymouth, Mass. Refer Public Notice February 5, 1973.

5602-C1-P-73 Same. Plymouth, Mass. (WFX99). Increase power to 12 watts toward Brockton and Barnstable, Mass.

5603-C1-P-73 Same. Barnstable, Mass. (KCA75). Increase power to 12 watts toward Plymouth, Mass.

7811-C1-P-73 Western Tele-Communications, Inc. (New). Harrison Mtn., 12.4 Miles WNW of Malta, Idaho. Change frequency toward Pocatello, Idaho to 6197.2H MHz. All other particulars same as reported on Public Notice dated 4-30-73.

720-C1-P-73 Mountain Microwave Corporation. C.P. for new station amended to change coordinates to Lat. 44 10 05 N. -Long. 96 36 45 W. All other particulars remain same as reported in Public Notice dated August 14, 1972.

721-C1-P-73 Mountain Microwave Corporation. C.P. for new station amended to change coordinates to Lat. 43 43 54 N. -

Long, 97 95 14 W. All other particulars remain same as reported in Public Notice dated May 14, 1973.

CORRECTIONS

13-C1-P-74 The Chesapeake and Potomac Telephone Company of West Virginia. Correct to read C.P. to change antenna system, replace transmitters, and increase output power. Frequencies 6071.2V, 5952.6V, 6011.9V, 6056.4H, 5937.8H, 6108.3H, 11385V, 6137.9V and 11665V. (All other particulars same as reported in Public Notice No. 658, dated July 23, 1973.)

07-C1-P-74 Northwestern Bell Telephone Company (New). Correct to read: 510 North D Street, Fremont, Nebraska. (All other particulars same as reported in Public Notice No. 657, dated July 16, 1973.)

[FR Doc.73-16589 Filed 8-10-73;8:45 am]

FEDERAL POWER COMMISSION

NATIONAL POWER SURVEY, TECHNICAL ADVISORY COMMITTEE ON RESEARCH AND DEVELOPMENT

Notice of Meeting and Agenda

Agenda for a meeting of the Technical Advisory Committee on Research and Development, Task Force on Energy Distribution Research, to be held at the Federal Power Commission Offices, 825 North Capitol Street, NE., Washington, DC 20426, on August 16, 1973, 10:00 a.m., Room 5200.

1. Call to order by FPC Coordinating Representative.
2. Objectives and purposes of meeting:
 - A. Approve minutes of June 25 & 26, 1973 meeting.
 - B. Final review of all previous work.
 - C. Other Business.
3. Adjournment.

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or, if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16729 Filed 8-10-73;8:45 am]

NATIONAL POWER SURVEY, TECHNICAL ADVISORY COMMITTEE ON CONSERVATION OF ENERGY

Notice of Meeting and Agenda

Agenda for a meeting of the Task Force on Technical Aspects of the Technical Advisory Committee on Conservation of Energy, to be held at the Federal Power Commission Offices, 825 North Capitol Street, NE, Washington, D.C., at 9:30 a.m., August 15, 1973, Room 5200.

1. Meeting called to order by FPC Staff Representative.
2. Objectives and purposes of meeting.
 - A. Review of Draft of Summary of Position Papers
 - B. Other Business
 - C. Date of next meeting
3. Adjournment

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written

form, may be filed before or after the meeting, or, if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16707 Filed 8-10-73;8:45 am]

NATIONAL POWER SURVEY, TECHNICAL ADVISORY COMMITTEE ON CONSERVATION OF ENERGY

Notice of Meeting and Agenda

Agenda for a meeting of the Technical Advisory Committee on Conservation of Energy, to be held at the Federal Power Commission Offices, 825 North Capitol Street, NE, Washington, D.C., at 9:30 a.m., August 21, 1973, Room 5200.

1. Meeting called to order by FPC Staff Representative.
2. Objectives and purposes of meeting.
 - A. Review of Chairman's Introduction to Committee's final report
 - B. Review of report of Task Force on Standards and Practices
 - C. Review of report of Task Force on Environmental Aspects
 - D. Review of report of Task Force on Technical Aspects
3. Adjournment

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee—which statements, if in written form, may be filed before or after the meeting, or, if oral, at the time and in the manner permitted by the committee.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16708 Filed 8-10-73;8:45 am]

[Docket No. CI74-60]

AMOCO PRODUCTION CO.

Notice of Application

AUGUST 7, 1973.

Take notice that on July 27, 1973, Amoco Production Company (Applicant), P.O. Box 3092, Houston, Texas 77001, filed in Docket No. CI74-60 an application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to El Paso Natural Gas Company from the Sand Dunes Field, Eddy County, New Mexico, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it intends to commence the sale of gas within the contemplation of section 157.29 of the Regulations under the Natural Gas Act (18 CFR 157.29) and proposes to continue said sale for twenty-four months from the end of the sixty-day emergency period within the contemplation of § 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicant proposes to sell all the gas available to it, estimated to be initially approximately 300 Mcf per day, at 45.0 cents per Mcf at 14.65 psia, subject to upward and down-

ward Btu adjustment. Deliveries are estimated to be 600 Mcf per month.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before August 24, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition 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 Section 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16731 Filed 8-10-73;8:45 am]

[Rate Schedule Nos. 1, et al.]

ANGELINA CORP., ET AL.

Notice of Rate Change Filings Pursuant to Commission's Opinion No. 639

AUGUST 6, 1973.

Take notice that the producers listed in the Appendix attached hereto have filed proposed increased rates to the applicable area new gas ceiling based on the interpretation of vintaging concepts set forth by the Commission in its Opinion No. 639, issued December 12, 1972.

The information relevant to each of these sales is listed in the Appendix.

Any person desiring to be heard or to make any protest with reference to said filings should on or before August 17, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any party wishing to become a party to a proceeding or to participate

as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Secretary.

APPENDIX

Filing date	Producer	Rate schedule No.	Buyer	Area
7-23-73	The Angelina Corp. 933 Tenneco Building Houston, Texas 77002.	1	Texas Eastern Transmission Corporation.	Texas Gulf Coast.
7-24-73	Atlantic Richfield Co. P.O. Box 2819 Dallas, Texas 75221.	6	Tennessee Gas Pipeline Company.	Do.
7-25-73	Kerr-McGee Corp. Kerr-McGee Building Oklahoma City, Oklahoma 73102.	6	do.	South Louisiana.
7-25-73	Eddy Refining Company P.O. Box 185 Houston, Texas 77001.	1	United Gas Pipe Line Company.	Texas Gulf Coast.

[FR Doc.73-16711 Filed 8-10-73; 8:45 am]

[Docket No. CI74-65]

BROWN & MCKENZIE, INC.

Notice of Application

AUGUST 7, 1973.

Take notice that on July 30, 1973, Brown & McKenzie, Inc. (Applicant), Three Greenway Plaza East, Suite 1120, Houston, Texas 77046, filed in Docket No. CI74-65 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to Texas Gas Transmission Corporation from the Savor Field, St. Landry Parish, Louisiana, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it commenced the sale of gas on July 17, 1973, within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29) and proposes to continue said sale for one year from the end of the sixty-day emergency period within the contemplation of § 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicant proposes to sell all the gas from the leases, estimated to be approximately 93,000 Mcf per month, at 45.0 cents per Mcf at 15.025 psia, subject to downward Btu adjustment.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before August 24, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any

hearing therein must file a petition 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 section 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16730 Filed 8-10-73; 8:45 am]

[Docket No. CI74-62]

MORRIS CANNAN

Notice of Application

AUGUST 7, 1973.

Take notice that on July 27, 1973, Morris Cannan (Applicant), 1645 Milam Building, San Antonio, Texas 78205, filed in Docket No. CI74-62 an application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas interstate commerce to Texas Eastern Transmission Corporation from the Loma Alta Area, McMullen County, Texas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that he commenced the sale of gas on July 3, 1973, within the contemplation of § 157.29 of the regulations under the Natural Gas Act (18 CFR 157.29) and proposes to continue

said sale for one year from the end of the sixty-day emergency period within the contemplation of § 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicant proposes to sell up to 1,000 Mcf of gas per day at 35.0 cents per Mcf at 14.65 psia. Deliveries are estimated to be 30,000 Mcf of gas per month.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before August 20, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition 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 section 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16732 Filed 8-10-73; 8:45 am]

[Docket No. E-8333]

CENTRAL TELEPHONE & UTILITIES CORP.

Notice of Proposed Changes in Rates and Charges

AUGUST 6, 1973.

Take notice that the Western Power Division of Central Telephone & Utilities Corporation (Central Telephone) on July 26, 1973, tendered for filing two proposed rate schedules, one, Schedule 73-CWH-2, for the REA Cooperative customers of Central Telephone, and the other, Schedule 73-MWH-5, for the Municipal Wholesale customers. The Company proposes that these rate schedules supersede Rate Schedule 68-CWH-3

and 68-MWH-5 and requests that this filing be deemed notice of cancellation of such schedules. The proposed changes, according to Central Telephone's filing, would increase revenues from jurisdictional sales and service after the first year of the new schedules by approximately \$494,000 for the Cooperatives and \$26,000 for the Municipals based on a volume of sales for the 12 month period ending December 31, 1972.

The proposed rate change is described in the Company's transmittal letter as resulting from extensive negotiations between the Company and its REA Cooperative and Municipal Wholesale customers. The Company states that a basic consideration for agreement was Central Telephone agreeing to forego the right to unilaterally file for increased rates over and above those proposed in the filing before September 26, 1975. According to the Company, the proposed changes differ from the presently effective rate schedules in that Rate Schedules 73-CWH-2 and 73-MWH-5 have been adjusted to produce two-stage increases resulting in a total increase for the Cooperatives and Municipals of 25% and 6% respectively.

Other changes include: a calculation of billing demand based on a ratchet provision; the removal of the non-peak provisions contained in the currently effective Rate Schedule 68-CWH-2; and a restatement of the fuel adjustment clause in the present rate schedules.

The Company states that the rates of return which the new rates will provide, based on the test year ended December 31, 1972, and after reflecting the second stage of the proposed increase, are 6.35% for service to the REA Cooperatives and 6.39% for service to the Municipal Wholesale customers. The proposed rates, according to Central Telephone, will better enable the Company to provide service to its jurisdictional customers. The Company states that copies of the executed contracts or other evidence of agreement between the Company and each customer will be filed as soon as they are available. The proposed effective date is September 26, 1973.

Any person desiring to be heard or to protest said filing should file comments or protests with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such comments or protests should be filed on or before August 24, 1973. Protests will be considered by the Commission in determining the appropriate action to be taken. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc. 73-16713 Filed 8-10-73; 8:45 am]

[Docket Nos. E-8308, E-7206]

**DETROIT EDISON CO. AND CONSUMERS
POWER CO.**

Notice of Applications

AUGUST 6, 1973.

Take notice that The Detroit Edison Company (Edison) and Consumers Power Company (Consumers) filed with the Federal Power Commission on June 14, 1973, the following applications:

(1) an application by Edison in Docket No. E-8308 for a permit, pursuant to Executive Order No. 10485, dated September 3, 1953, authorizing the construction, operation, maintenance and connection at the international border between the United States and Canada of certain facilities for the transmission of electric energy between the United States and Canada; and (2) a joint application by Edison and Consumers (Applicants) in Docket No. E-7206 for a supplemental order, pursuant to Section 202(e) of the Federal Power Act, authorizing the transmission of electric energy from the United States to Canada by means of certain existing facilities and the above-mentioned proposed facilities.

Edison is incorporated under the laws of the States of Michigan and New York, with its principal place of business at Detroit, Michigan. Consumers is incorporated under the laws of the State of Michigan, with its principal place of business at Jackson, Michigan.

Applicants generate, purchase, transmit, sell and distribute electric energy in Michigan. In general, Edison provides electric service in the southeastern part of Michigan, whereas Consumers serves nearly all other parts of Michigan except its upper (northern) peninsula. The service territories of Applicants are contiguous and their electric systems are interconnected and operated on a coordinated basis. They exchange energy at several points. In addition, the combined electric systems of Applicants interconnect and exchange energy with various neighboring electric systems, including that of The Hydro-Electric Power Commission of Ontario (Ontario Hydro), an agency of the Province of Ontario, Canada, with its principal place of business at Toronto. Applicants' export-import arrangements with Ontario Hydro are provided for in the Interconnection Agreement dated May 23, 1969 (Agreement) among Consumers, Edison and Ontario Hydro, which is on file with the Commission as Edison's Export Rate Schedule FPC No. 13.

Certain electric transmission facilities of Edison and Ontario Hydro are currently connected overhead at three points on the United States-Canadian Border to effectuate transfers of electric energy between Applicants and Ontario Hydro as follows: a 230,000 volt interconnection over the Detroit River near Detroit, Michigan and Windsor, Ontario; a 230-

000 volt interconnection over the St. Clair River near Marysville, Michigan and Sarnia, Ontario; and a 345,000 volt interconnection over the St. Clair River near St. Clair, Michigan and Courtright, Ontario. Edison's facilities included in those interconnections are covered by its Permit signed by the Chairman of the Commission on October 12, 1953, as modified by Amendment to Permit signed by said Chairman on September 15, 1972, Docket No. E-6516, which authorized the 230,000 volt facilities, and by its Permit signed by the Acting Chairman of the Commission on March 1, 1966, Docket No. E-7207, which authorized the 345,000 volt facilities. The Commission by order issued October 10, 1972, Docket No. E-7206, authorized Applicants to transmit energy from the United States to Canada for delivery to Ontario Hydro in an amount not in excess of 4,000,000,000 kwh annually at a transmission rate not to exceed 2,200,000 kva by means of Edison's above-mentioned existing 230,000 volt and 345,000 volt facilities.

An additional interconnection at the United States-Canadian Border is now proposed by Edison and Ontario Hydro to maintain the reliability of the exchange of electric service between Applicants and Ontario Hydro. The proposed interconnection will be established by the construction of an overhead 345,000 volt transmission line and related terminal facilities. The proposed transmission line will consist of four sections (two in the United States and two in Canada) and will cross the St. Clair River at a point between St. Clair and Marine City, Michigan, and a point between Courtright and Sombra, Ontario. The permit which Edison has applied for in Docket No. E-8308 would authorize the construction and operation at the international border of one single circuit 345,000 volt transmission line on steel towers with two 2776 MCM acsr conductors per phase, with phase spacing and insulation suitable for future operation at 500,000 volts. The proposed line will extend overhead from a point on the international border a distance of approximately 0.9 miles to a point on the Port Huron and Detroit Railroad located in Michigan, thence southerly along said Railroad's right-of-way a distance of approximately 0.2 miles. In addition, to the above-described proposed facilities, the portion of which to be located at the international border would be covered by the permit sought in Docket No. E-8308, Edison states that it proposes to construct and operate one single circuit 345,000 volt transmission line on double circuit steel towers, with two 1431 MCM acsr conductors per phase, extending overhead from the last mentioned point on the Port Huron and Detroit Railroad a distance of approximately 2.2 miles to Edison's St. Clair Power Plant, together with terminal facilities at said Power Plant consisting of two 3,000 ampere, 345,000 volt circuit

breakers. Ontario Hydro will construct and operate the Canadian portion of the proposed transmission line and terminal facilities.

Applicants do not seek authorization to increase or otherwise change the amount or transmission rate of electric energy which they are currently authorized by the Commission's above-mentioned order of October 10, 1972, Docket No. E-7206, to transmit from the United States to Canada. The supplemental order which Edison and Consumers have applied for in Docket No. E-7206 would authorize them to export energy in an amount not in excess of 4,000,000,000 kwh annually at a transmission rate not to exceed 2,200,000 kva by means of Edison's proposed 345,000 volt transmission line in addition to its existing 230,000 volt and 345,000 volt transmission facilities for delivery to Ontario Hydro.

Applicants indicate that in the event the Commission issues the permit and supplemental order as requested, their transactions with Ontario Hydro, including sales, exchanges, and deliveries of electric energy, will be carried out, as at present in accordance with the terms and conditions and at the rates and charges set forth and included in the Agreement. The joint application recites that the energy "to be exported * * * as proposed herein, like that presently exported, will be utilized by Ontario Hydro to improve the reliability of electric energy supply for its electric system" and that the source of such exported energy "as in the case of the energy currently exported * * * will be applicants' total resources, including energy generated or purchased by them."

The amount of electric energy which Applicants would be authorized to transmit from the United States to Canada by the supplemental order sought in Docket No. E-7206 is, as set forth above, the same as that which Applicants are currently authorized to export. Applicants submitted, as a part of their joint application, an exhibit showing that for the 5 year period ending December 31, 1972, the gross receipts of energy by Applicants from Ontario Hydro exceeded the gross deliveries of energy by Applicants to Ontario Hydro by nearly two billion kilowatt-hours. Applicants represent that deliveries of energy to Ontario Hydro under the supplemental order "will not impair the ability to supply the requirements of accessible United States markets at the time of * * * exportation."

Any person desiring to be heard or to make any protest with reference to said applications should on or before August 27, 1973, 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. The applications are on file with the Commission and available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16716 Filed 8-10-73; 8:45 am]

[Docket No. CI74-67]

LUCIUS C. GEER AND ARTHUR G.
MURPHY

Notice of Application

AUGUST 7, 1973.

Take notice that on July 30, 1973, Lucius C. Geer and Arthur G. Murphy (Applicants), Suite 719, C & I Building, Houston, Texas 77002, filed in Docket No. CI74-67 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce to Texas Gas Transmission Corporation from the Keithville Area, Caddo Parish, Louisiana, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicants state that they commenced the sale of gas on July 9, 1973, within the contemplation of section 157.29 of the Regulations under the Natural Gas Act (18 CFR 157.29), and propose to continue said sales for one year from the end of the sixty-day emergency period within the contemplation of section 2.70 of the Commission's general policy and interpretations (18 CFR 2.70). Applicants propose to sell approximately 500 Mcf of gas per day at 42.0 cents per Mcf at 15.025 psia, subject to downward Btu adjustment.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before August 24, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition 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 section 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own

review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16734 Filed 8-10-73; 8:45 am]

[Project No. 1494]

GRAND RIVER DAM AUTHORITY
Order To Show Cause

Issued August 3, 1973.

It appearing to the Commission that:
(a) During the summer of 1970 a non-project structure, i.e., effluent holding basin, was constructed on project lands under license from the Federal Power Commission to the Grand River Dam Authority, designated as Project No. 1494;

(b) The sewage facility was observed to be in operation during September 1970;

(c) The primary purpose of the pond is to receive treated effluent from a package treatment plant and to serve as a holding pond for untreated sewage in the event the treatment plant becomes inoperative;

(d) This non-project structure was built on the project lands without the approval of or permission by the Federal Power Commission;

(e) The dike built to contain the holding basin has eroded and is allowing leakage from the holding pond into the reservoir;

(f) There has been no Water Quality Certificate obtained covering this structure;

The Commission, on its own Motion, orders that the Grand River Dam Authority shall, under oath, show cause, if any there be, on or before September 5, 1973;

(1) Why the use of the holding basin should not cease and desist pending receipt of a Water Quality Certification under Section 401(a)(1) of the Federal Water Pollution Control Act Amendments of 1972, 33 USC 1341; and

(2) Why the unauthorized non-project structures should not be removed from project land or be rebuilt in accordance with a further Commission order after notice and opportunity for hearing; and

(3) Why the Commission should not issue such other and further order as it may find appropriate, expedient and in the public interest to conserve and utilize the water resources of the region.

By the Commission.

[SEAL] KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16715 Filed 8-10-73; 8:45 am]

[Docket No. E-8325]

KANSAS POWER AND LIGHT CO.**Notice of Proposed Changes in Rates and Charges**

August 6, 1973.

Take notice that the Kansas Power and Light Company (KPL) on July 9, 1973, tendered for filing a proposed Renewal Contract (Contract) dated July 2, 1973, to the present contract dated April 16, 1973, and designated KPL Rate Schedule FPC No. 66. The Contract is between KPL and Wathena, Kansas for wholesale electric service to that community and the contract rate will be the only rate available for this class of service. According to KPL's filing, the proposed changes would increase revenues from jurisdictional sales and service by approximately \$4,000, based on a comparison of sales for the 12 month periods preceding and succeeding the proposed change. Waiver of the Commission's notice requirements is requested so as to allow for an effective date of July 1, 1973.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before August 20, 1973. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16709 Filed 8-10-73; 8:45 am]

[Docket No. RP72-132]

NATURAL GAS PIPELINE CO. OF AMERICA**Notice of Filing of Revised Tariff Sheets To Implement Settlement Rates Approved by FPC Order Issued July 18, 1973**

August 8, 1973.

Take notice that on July 25, 1973, Natural Gas Pipeline Company of America (Natural) tendered for filing revised tariff sheets which purport to comply with the terms and conditions of Federal Power Commission order issued July 18, 1973, entitled "Order Approving Settlement Agreement with a Condition".

Under the provisions of the approved amended settlement agreement, revised tariff sheets were submitted showing "refund" Base Rates effective for the period December 1, 1972 through August 31, 1973, and "prospective" Base Rates effective September 1, 1973. Further, in compliance with paragraph (D) of the Commission's July 18th order, Natural states the Base Rate level of its

amended settlement agreement were reduced to reflect the elimination of Coal Option Payments in the amount of \$1,000,000.

On June 15, 1973, Natural filed unit adjustments to the Base Rates to be effective August 1, 1973, to reflect the cost of service effect of Advance Payments for Gas made by June 15, 1973, that were in excess of the amount for such expenditures stipulated in the amended settlement agreement. The unit adjustments to the rates under this filing were computed by assigning the cost of service effect 50% to the Demand Component and 50% to the Commodity Component. In compliance with ordering paragraph (D) of the Commission's order approving the settlement Natural states it recomputed the unit adjustments to be effective August 1, 1973, and revised its Base Rates to reflect the effect of the cost changes solely in the commodity component of the rates. Natural also states that in compliance with the Commission's order any subsequent tracking filings relating to R&D and advance payments will be computed so as to reflect the cost change in the commodity component of the rates.

Natural also submitted a recalculation of its PGA adjustment accepted for filing by the Commission to be effective June 1, 1973. This revision was made to conform the PGA adjustment to reflect unit adjustments calculated on the basis of the Base Average Purchased Gas Cost underlying the approved settlement agreement.

Natural states that copies of this filing were served on Natural's customers and all interested parties to Docket No. RP 72-132.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before August 20, 1973. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16735 Filed 8-10-73; 8:45 am]

[Docket No. CI74-64]

PETROLEUM CORP.
Notice of Application

August 7, 1973.

Take notice that on July 30, 1973, The Petroleum Corporation (Applicant), 3303 Lee Parkway, Dallas, Texas 75219, filed in Docket No. CI74-64 an application pursuant to Section 7(c) of the Natural

Gas Act authorizing the sale for resale and delivery of natural gas in interstate commerce to El Paso Natural Gas Company from the Parkway West Strawn and Atoka Fields, Eddy County, New Mexico, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to sell for one year up to 5,000 Mcf of gas per day at 52.0 cents per Mcf at 14.65 psia, subject to upward and downward Btu adjustment, within the contemplation of Section 2.70 of the Commission's General Policy and Interpretations (18 CFR 2.70). Deliveries are estimated at 5,000 Mcf of gas per month.

It appears reasonable and consistent with the public interest in this case to prescribe a period shorter than 15 days for the filing of protests and petitions to intervene. Therefore, any person desiring to be heard or to make any protest with reference to said application should on or before August 24, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition 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 this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16733 Filed 8-10-73; 8:45 am]

[Docket No. CP74-25]

VALLEY GAS TRANSMISSION, INC.
Notice of Application

August 6, 1973.

Take notice that on July 25, 1973, Valley Gas Transmission, Inc. (Applicant), P.O. Box 1188, Houston, Texas 77001, filed in Docket No. CP74-25 an applica-

tion pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction during the twelve-month period commencing July 1, 1973, and to operate facilities to take into its certificated pipeline system additional natural gas supplies to be purchased from fields in the general area of its existing system, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that the purpose of this "budget-type" application is to augment Applicant's ability to act with reasonable dispatch in contracting for and connecting to its pipeline system supplies of natural gas in the various producing areas generally coextensive with said system.

The total cost of the facilities proposed herein will not exceed \$250,000, and no single project will exceed \$50,000. Applicant proposes to finance these costs from cash on hand or from short-term financing. Applicant requests a waiver of the requirements of § 157.7(b)(1) of the Regulations under the Natural Gas Act (18 CFR 157.7(b)(1)) because, Applicant states, the limitations therein would effectively deny Applicant's ability to connect new gas supplies to its system except on an individual application basis due to the relatively small size of its jurisdictional gas plant.

Any person desiring to be heard or to make any protest with reference to said application should on or before August 27, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition 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 this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be

unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16714 Filed 8-10-73;8:45 am]

[Docket No. CI69-756]

WARREN PETROLEUM CO.

Notice of Petition To Amend

AUGUST 6, 1973.

Take notice that on July 19, 1973, Warren Petroleum Company, a Division of Gulf Oil Corporation (Operator) (Petitioner), P.O. Box 1589, Tulsa, Oklahoma 74102, filed in Docket No. CI69-756 a petition to amend the order of the Commission issuing a certificate of public convenience and necessity in said docket pursuant to section 7(c) of the Natural Gas Act by authorizing the sale of certain surplus residue gas from the Vada Processing Plant in Lea County, New Mexico, at a new price to Natural Gas Pipeline Company of America, all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

Petitioner is presently authorized in the subject docket to sell residue gas to Natural from the Vada Plant pursuant to a Gas Purchase Contract dated January 1, 1969, which is on file as Petitioner's FPC Gas Rate Schedule No. 57. Petitioner asserts that since the execution of this contract, the price of gas in the Permian Basin Area has increased to the extent that the rate originally provided in the contract of 14.5 cents per Mcf is no longer competitive with the rate in effect for the sale of residue gas from other plants in the area. Petitioner indicates that it is having only limited success in acquiring additional supplies of natural gas for the Vada Plant due to its inability to offer competitive prices necessary to stimulate either development or purchase of new supplies when they become available. Petitioner also indicates that it is faced with the problem of renewing and extending existing plant supply contracts as they expire in order to maintain the present raw gas supply connected to the Plant. In order for it to compete more effectively for the purchase of gas supplies for the Vada Plant from behind the plant sellers and to negotiate more effectively to extend or renew existing plant supply contracts as they expire, Petitioner states, it has entered into an amendment to the original contract for these sales providing a new, separate and higher pricing schedule for certain residue gas.

Petitioner seeks authorization herein pursuant to this new amendment dated May 15, 1973, to sell at an initial rate of 31.0 cents per Mcf at 14.65 psia, subject to upward and downward Btu adjustment, all residue gas that is attributable to raw gas which is purchased under (a) new gas contracts and (b) renewed or extended contracts. The amendment defines new gas contracts as those contracted for after January 1, 1972, for processing in the Vada Plant and gas

reserves not dedicated to Petitioner prior to that date, as well as gas produced through completions made after the date of the subject amendment from new reservoirs underlying lands covered by Petitioner's contracts with third parties, which reservoirs qualify for separate reservoir treatment under paragraph (f) of § 2.56 of the Commission's general policy and interpretations (18 CFR 2.56). It also defines renewed or extended contracts as all gas purchased under gas contracts where the primary term of any such contract shall have been extended or renewed for at least ten years from then existing termination date of such contract.

On July 5, 1973, Petitioner filed a notice of independent producer rate change filing based on the new May 15, 1973, amendment submitted herein as a proposed supplement to its FPC Gas Rate Schedule No. 57. Because of the instant certificate filing, Petitioner has requested by a filing received on July 19, 1973, that it be permitted to withdraw the said rate filing.

Any person desiring to be heard or to make any protest with reference to said petition to amend should on or before August 28, 1973, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest 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. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16710 Filed 8-10-73;8:45 am]

[Docket No. E-8326]

WASHINGTON WATER POWER CO.

Notice of Energy Exchange Agreement

AUGUST 6, 1973.

Take notice that on July 20, 1973, Washington Water Power Company (Washington) filed an agreement executed May 25, 1973, with Puget Sound Power and Light Company (Puget).

Washington states that the agreement provides for capacity and energy to be delivered by Puget to Washington for redelivery by Washington to Utah Power and Light Company (Utah) during the period of April 16, 1973-August 31, 1973. In exchange for such capacity and energy, Washington will make energy available to Puget during the period September 16, 1974-April 15, 1975. Such energy shall be made available to Washington by Utah under Service Schedule III, Agreement for Exchange of Power and Energy, dated May 25, 1973, filed by Utah on July 9, 1973, as Supplement No. 4 to Utah's Rate Sched-

ule FPC No. 103. Washington further asserts that as compensation for use of its facilities in effecting deliveries of capacity and energy to Utah, Washington will retain 10% of the energy made available by Utah for delivery to Puget.

Any person desiring to be heard or to protest said filing should file comments or protests with the Federal Power Commission, 825 North Capitol Street, NE, Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's rules of practice and procedure (18 CFR 1.8, 1.10). All such comments or protests should be filed on or before August 20, 1973. Protests will be considered by the Commission in determining the appropriate action to be taken. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.73-16712 Filed 8-10-73;8:45 am]

FEDERAL RESERVE SYSTEM ALABAMA BANCORPORATION

Acquisition of Bank

Alabama Bancorporation, Birmingham, Alabama, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent (less directors' qualifying shares) of the voting shares of the successor by merger to Baldwin National Bank of Robertsdale, Robertsdale, Alabama. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Atlanta. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary
of the Board.

[FR Doc.73-16695 Filed 8-10-73;8:45 am]

AMERICAN BANCORPORATION, INC.

Proposed Acquisition of Lake City Agency, Inc.

American Bancorporation, Inc., St. Paul, Minnesota has applied, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire voting shares of Lake City Agency, Inc., Lake City, Minnesota. Notice of the application was published on June 7, 1973 in The Lake City Graphic, a newspaper circulated in Lake City Minnesota.

Applicant states that the proposed subsidiary would engage in the activities of a general insurance agency in a commu-

nity of less than 5,000 persons. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Minnesota.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than August 28, 1973.

Board of Governors of the Federal Reserve System, August 1, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary
of the Board.

[FR Doc.73-16645 Filed 8-10-73;8:45 am]

AMERICAN BANKCORP, INC.

Acquisition of Bank

American Bankcorp, Inc., Lansing, Michigan, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares of American Bank of Grand Ledge, Grand Ledge, Michigan, a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit his views in writing to the Reserve Bank, to be received not later than August 13, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary
of the Board.

[FR Doc.73-16693 Filed 8-10-73;8:45 am]

ASSOCIATED BANK CORP.

Acquisition of Bank

Associated Bank Corporation, Davenport, Iowa, has applied for the Board's

approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of Iowa County Savings Bank, Marengo, Iowa. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 28, 1973.

Board of Governors of the Federal Reserve System, August 1, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary
of the Board.

[FR Doc.73-16646 Filed 8-10-73;8:45 am]

ASSOCIATED BANK CORP.

Proposed Acquisition of Leasing, Inc.

Associated Bank Corporation, Davenport, Iowa, has applied, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire voting shares of Leasing, Inc., Des Moines, Iowa. Notice of the application was published on February 27, 1973, in the Arapahoe Herald, a newspaper circulated in Littleton, Colorado; and on February 28, 1973, in The Des Moines Register, a newspaper circulated in Des Moines, Iowa.

Applicant states that the proposed subsidiary would engage in the activities of leasing personal property and equipment or acting as agent, broker, or adviser in leasing of such property. Applicant states that such activities have been specified by the Board in § 225.4(a)(6) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b). A proposal to amend § 225.4(a)(6) of Regulation Y with respect to the leasing activities permissible for bank holding companies (Press Release dated July 31, 1973) is currently under consideration by the Board and, if adopted by the Board, might affect the activities that could be conducted by the proposed subsidiary.

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the

reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Chicago.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary
of the Board.

[FR Doc. 73-16680 Filed 8-10-73; 8:45 am]

BANKERS TRUST NEW YORK CORP.

Order Denying Acquisition of Public Loan Company

Bankers Trust New York Corporation, New York, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)), and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Public Loan Company, Inc., Binghamton, New York ("Public Loan"). Public Loan, operating through its subsidiaries, engages in making consumer finance and sales finance loans (including the purchase of retail installment contracts). Also, through two wholly-owned subsidiaries, Empire Life Insurance Company ("Empire Life") and Commonwealth Life Insurance Company ("Commonwealth Life"), both located in Wilmington, Delaware, Public Loan is engaged in underwriting, as reinsurer, credit life and credit accident and health insurance in connection with loans made to Public Loan's borrowers. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (10)). Thrift Credit Corp., a wholly-owned subsidiary of Public Loan engaged in commercial lending and equipment leasing, will be disposed of prior to the acquisition of Public Loan by Applicant.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 FR 5206). The time for filing comments and views has expired, and the Board has considered all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant controls nine banks, with aggregate deposits of \$8.0 billion, representing 7.4 per cent of the total deposits in commercial banks in New York State, and is the sixth largest banking organization and bank holding company in the country.¹ Within New York State,

Applicant is the fifth largest banking organization. Applicant's lead bank, Bankers Trust Company of New York, has deposits of \$7.4 billion and is the seventh largest bank in the United States. In addition to its banking subsidiaries, Applicant's six nonbanking subsidiaries are engaged in mortgage banking, real estate investment trust management, equipment leasing and brokering, small business investing, and extension of credit through use of a credit card.

Public Loan, established in 1933, is a family-held small loan company, with total assets of approximately \$72 million and net receivables of \$54 million (as of June 30, 1972). Ranked by total capital funds, Public Loan is the 66th largest finance company and 40th largest non-captive finance company in the country. Headquartered in Binghamton, New York, it controls nine wholly-owned subsidiaries, operates 28 small loan offices in New York, 32 in Pennsylvania, and one in New Jersey. Other activities engaged in by Public Loan are the following: Sales financing, engaged in by two subsidiaries, Beacon Discount Company and Public Discount Company, which business is being discontinued; commercial lending and equipment leasing, through another wholly-owned subsidiary, Thrift Credit Corporation, which will be sold or liquidated before Public Loan is acquired; and reinsuring credit life insurance and credit health and accident insurance covering the borrowers of Public Loan. Applicant proposes that Public Loan's activities would be confined to its small loan business with related credit life insurance.

A threshold question in the consideration of this application is whether consumer finance companies compete with commercial banks in the area of small loans to individuals. It has been contended that there are principally two factors which reflect an absence of competition between these types of organizations: (1) Different statutory limitations with respect to the size of loan that can be made;² and (2) a different clientele being served by each type of organization. Our experience, however, in applying section 4(c)(8) of the Bank Holding Company Act to the many consumer finance applications processed since enactment of the 1970 Amendments leads us to conclude that the acquisition of a consumer finance company by a commercial banking organization may result in the elimination of existing competition in those geographic markets in which both compete.

The statutory lending limit, \$1,400 for consumer finance companies in New York State, allows for direct competition between consumer finance companies and

¹ In New York, Public Loan can make consumer installment loans up to \$1,400; in Pennsylvania, the limitation is \$600 under a small loan license or \$3,500 under a consumer discount license. Commercial banks in New York State can make installment loans up to \$10,000; in Pennsylvania, up to \$5,000. (As of December 31, 1971, commercial banks in New York State were subject to a \$5,000 ceiling.)

commercial banks. The \$1,400 limit, however, masks the fact that the actual amount of credit obtained may be higher by a customer borrowing from more than one licensed lender, a practice known as "doubling up". Also, in this instance, a borrower living in the Binghamton area may choose to secure credit in Pennsylvania, as from Public Loan's Montrose office, which has a \$3,500 limit. These facts, among others of record, lead us to conclude that finance companies are an alternative credit source for personal loans, as well as loans to finance the purchase of automobiles and home improvements and other loans traditionally made by commercial banks.

The contention that commercial banks serve a different clientele from finance companies is becoming less and less valid as commercial banks place more emphasis on retail banking and seek to attract a greater diversity of customers. There appears to be a substantial class of customers being served by both institutions, consisting of the high-risk margin clientele of commercial banks and the low-risk margin customers in the case of finance companies. A few consumer finance companies, which confine their operations to small loans made to the very high risk sector of the market, would not generally be regarded as competing with commercial banks. Public Loan, however, is not of this category. Its very favorable loan write-off experience shows that Public Loan does not serve the high-risk market, but rather, lends to many of the same clientele as are served by Applicant's banking subsidiaries.

The relevant product markets in which the Board analyzes the competitive aspects of the proposed transaction are: (1) Personal loans of \$1,400 or less, and (2) all direct consumer installment loans, the latter including personal loans and automobile, mobile home, and home improvement and modernization loans.

While applicant and Public Loan compete for consumer loans (which includes both personal loans and consumer installment loans) in several markets in New York State, where Public Loan is the sixth largest licensed lender as of year-end 1971, the Board is concerned with the consequences resulting from affiliation only in the Binghamton and Jamestown markets. It is only in these markets that the competitive effects are sufficiently serious as to represent an adverse factor weighing against approval of the proposed transaction.

The Binghamton market³ encompasses the Triple Cities Area of Binghamton, Endicott, and Johnson City. Competing in that market are 33 lending institutions (15 commercial banks, 7 finance companies, and 11 credit unions), including the main office and two branches of Applicant's Binghamton banking subsidiary and six offices of Public Loan. Public Loan's Montrose, Pennsylvania, office is also included in the Binghamton

³ Approximated by Broome and Tioga Counties plus the Town of Green in Chenango County and the northern half of Susquehanna County in Pennsylvania.

market. In terms of personal loans under \$1,400, Public Loan was the largest lender in the market with \$5.2 million in loans outstanding and 18.6 per cent of the market; Bankers Trust of Binghamton was the 15th largest, with \$327,000 and 1.2 per cent of the market. Upon consummation, Applicant would control 19.8 per cent of the market and be nearly equal in size to the next two largest competitors, both of which are commercial banks. In terms of all direct consumer instalment loans, Public Loan and Bankers Trust of Binghamton are the third and fourth largest competitors in the market (the first two competitors are banks) and hold 7.2 per cent (\$5.6 million) and 6.2 per cent (\$4.9 million), respectively. If approved, Applicant would be the second largest supplier of such loans in the market.

The second geographic market in which there will result a loss of existing competition is the Jamestown market.⁴ Bankers Trust of Jamestown operates its head office and seven branches in this market, while Public Loan has one office, at Lakewood. Public Loan's service area is encompassed by the service area of Bankers Trust of Jamestown. Suppliers of credit in this market also number 33 lending institutions (4 commercial banks, 4 finance companies, and 25 credit unions). With respect to personal loans under \$1,400, Public Loan ranked third in the market with 13.9 per cent of market loans (\$1.4 million) while Bankers Trust of Jamestown was fourth with 10.1 per cent (\$1.0 million). Upon consummation, Applicant would be the largest supplier of funds and would account for 24 per cent of the small personal loan business—nearly 50 per cent more than the next largest competitor in the market. Three of the five largest competitors in this market are commercial banks. With respect to all direct consumer instalment loans outstanding, Bankers Trust's subsidiary is the largest in the market with 19.8 per cent of market loans (\$4.7 million); Public Loan ranks fifth with an even 6 per cent (\$1.4 million). After consummation, Applicant's banking subsidiary would continue to rank first with nearly 26 per cent of all direct consumer instalment loans. Commercial banks are also heavily represented in this product market as the three largest competitors are of this category.

Because of the elimination of substantial existing competition in both the Binghamton and Jamestown markets, it is the Board's judgment that these competitive consequences are an adverse factor weighing against approval of the proposed transaction. Further, while the consumer finance industry is characterized by ease of entry, the proposed acquisition would solidify the market positions of Applicant and Public Loan in the Binghamton and Jamestown mar-

kets. Neither market has shown rapid growth and neither is particularly attractive for *de novo* entry in view of anticipated moderate population growth. In Jamestown, the acquisition would eliminate the only possible vehicle for entry by acquisition because the remaining consumer finance companies are national firms and presumably not interested in being acquired by a potential entrant. Accordingly, approval would serve to foreclose market entry by outside organizations.

Section 4(c) (8) of the Bank Holding Company Act requires the Board to find that the performance by Public Loan as an affiliate of Applicant "can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests or unsound banking practices." The basic balancing test of section 4(c) (8) requires a showing of positive public benefits that outweigh the adverse effects of the proposed acquisition described above. Applicant must bear the burden of demonstrating that the proposed nonbanking activity will be in the public interest.⁵ In seeking to meet this burden, Applicant has claimed that consummation of the proposal would produce the following benefits:

- (1) Ready access to funds by Public Loan at competitive rates and with greater assurance of availability;
- (2) Replacement of family management by an aggressive corporate management interested in expanding the volume, scope, and character of their services to the public;
- (3) Referral of customers for small loans to Public Loan and of those requiring loans in excess of \$1,400 to Applicant's banking subsidiaries;
- (4) Expansion in types of insurance offered and reduction in the cost of credit insurance offered through Applicant's banking subsidiaries; and
- (5) Reduction in cost of credit insurance to customers of Public Loan.

The public benefits claimed by Applicant, in the Board's view, fall short of outweighing the adverse competitive effects which would result from approval of the proposed transaction. Public Loan appears to be of adequate size and financial soundness to obtain necessary financing at competitive rates. Moreover, any difference in the cost of funds to Applicant and to Public Loan would probably not be large enough to have a

significant effect on the rates charged to customers of Public Loan. With respect to the management of Public Loan, there is no evidence of record to demonstrate that family management has in any way lessened the ability of the company to grow and prosper.

The proposed referral system cited by Applicant, in practice, may have quite the opposite effect to that expected by the Board when a bank holding company is permitted to acquire a consumer finance company. The Board expects that the acquisition of a consumer finance company by a bank holding company will result in positive benefits to the public such as greater availability of consumer credit and a lowering of the finance rates previously charged by the acquired consumer finance company. The use of referrals may, however, instead of benefiting the public, have the contrary effect of enabling Applicant to divert eligible bank borrowers to Applicant's consumer finance subsidiary.

Applicant proposes upon approval of this application to expand the quality and range of insurance coverage available to customers of its subsidiary banks as well as to reduce rates on credit insurance. The provision of these benefits, however, is not dependent upon consummation of the Public Loan acquisition. Applicant can expand the quality and range of credit insurance presently made available to its customers and at lower premium rates without the affiliation of Public Loan.

A final benefit cited by Applicant results from the underwriting activity of Public Loan, as reinsurer, of credit life and credit accident and health insurance which is directly related to its extensions of credit. Applicant has indicated that the proposed underwriting activities would include underwriting such insurance for its banking subsidiaries as well. Applicant does not presently engage in insurance underwriting activities and the proposed affiliation with Applicant would appear to have no significant effects on competition within the industry.

In adding credit life to the list of permissible activities for bank holding companies, the Board stated that:

To assure that engaging in the underwriting or credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an Applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service. (12 CFR 225.4(a) (10))

Applicant has stated that upon consummation of the proposed acquisition, the rate reductions for accident and health insurance in Pennsylvania, New York, and New Jersey, which have among the lowest rate ceilings in the nation, would range from approximately 3 per cent in Pennsylvania on policies for less than 3 years to 2 per cent in New York and New Jersey. In the credit life in-

⁵ The House Conference Report on the 1970 Amendments to the Act (Report No. 91-1747) states at page 19:

"In connection with the overall application of the public benefits test, it is important to emphasize that the bank holding company making application under section 4(c) (8) must bear the burden of proof in showing that its carrying on of a particular nonbank activity would produce benefits to the public that outweigh any adverse effects".

⁴ Approximated by the southern half of Chautauga County and the southwestern third of Cattaraugus County, in effect, the Jamestown banking market.

insurance area, the rates presently charged will be reduced by Applicant by amounts varying from approximately 1 per cent to 6 per cent in the various states. Additionally, Applicant would waive the suicide clause with respect to policies taken out in Pennsylvania. To the extent such reductions occur and improvements in policy terms occur, the public benefits.

It is the Board's judgment, applying the balancing test under section 4(c) (8) of the Act, that Applicant has failed to meet the burden of demonstrating that benefits to the public would outweigh the adverse effects which would result from approval of the application. For the most part, the benefits cited are not supported by objective facts of record* or backed by firm policy commitments on the part of Applicant. Accordingly, since the public interest factors do not outweigh the possible adverse effects, the application is hereby denied.

By order of the Board of Governors,⁷ effective August 3, 1973.

[SEAL] CHESTER B. FELDBERG,
Secretary of the Board.
[FR Doc.73-16700 Filed 8-10-73;8:45 am]

FIDELITY AMERICAN BANKSHARES Acquisition of Bank

Fidelity American Bankshares, Inc., Lynchburg, Virginia, has applied for the Board's approval under section 3(a) (3) of the Bank Holding Company Act (12 U.S.C. 1842(a) (3)) to acquire 100 per cent or less of the voting shares (less directors' qualifying shares) of Fidelity National Bank, Halifax County, Virginia, a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Richmond. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.
[FR Doc.73-16699 Filed 8-10-73;8:45 am]

FIRST AMTENN CORP.

Order Approving Acquisition of Bank

First Amten Corporation, Nashville, Tennessee, a bank holding company

* Dissenting Statement of Governor Daane filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D. C. 20551, or to the Federal Reserve Bank New York.

⁷ Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, and Holland. Voting against this action: Governor Daane.

within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a) (3) of the Act (12 U.S.C. 1842(a) (3)) to acquire 80 per cent or more of the voting shares of the First National Bank of Tullahoma, Tullahoma, Tennessee ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and none has been timely received.

Applicant has three existing subsidiaries and two approved subsidiaries with total deposits of \$774.5 million.¹ Acquisition of Bank, which has deposits of \$17.1 million, will have a nominal effect on Statewide concentration and on Applicant's share of deposits.

Bank is located in and serves the Coffee County banking market. Coffee County is located in south central Tennessee, and Tullahoma is the largest city in the County, with a population of approximately 15,000. Applicant's closest subsidiary is First American National Bank, Nashville, Tennessee, lead bank for the holding company. Bank and the lead bank are separated by approximately 72 miles. Applicant's subsidiaries attract a nominal amount of business from Coffee County. Elimination of this limited amount of competition is negligible.

Two directors of Bank also serve as directors of the First National Bank of Manchester, a competing bank in the same market. The two banks together control approximately 50 per cent of the commercial deposits within the market. Applicant has made a commitment to terminate, prior to consummation of the proposal, the existing director interlocks between these banks. Approval of the proposed transaction will, therefore, be procompetitive in that it will encourage independent action by the two institutions and prevent any possibility of joint decision making.

There is no evidence in the record to indicate that the convenience and needs of the community are not being adequately served by the existing institutions. However, Applicant has indicated that it will seek to improve existing services relating to Bank's marketing and advertising programs, personal and corporate trust services, and other internal operations. It is the Board's judgment that convenience and needs factors are consistent with, and lend some weight toward, approval of the application.

Considerations relating to the financial and managerial resources and future prospects of Applicant, its subsidiaries and Bank are regarded as satisfactory and consistent with approval of the application.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this

¹ Banking data are as of June 30, 1972.

Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors,⁷ effective August 3, 1973.

[SEAL] CHESTER B. FELDBERG,
Secretary of the Board.
[FR Doc.73-16697 Filed 8-10-73;8:45 am]

FIRST BANKSHARES CORP. OF SOUTH CAROLINA

Proposed Retention of August Kohn and Company, Inc.

First Bankshares Corp. of South Carolina, Columbia, South Carolina, has applied, pursuant to section 4(c) (8) of the Bank Holding Company Act (12 U.S.C. 1843(c) (8)) and § 225.4(b) (2) of the Board's Regulation Y, for permission to retain voting shares of August Kohn and Company, Incorporated, Columbia, South Carolina. Notice of the application was published on:

Date	Newspaper	City and State
July 9, 1973.....	The State.....	Columbia, South Carolina
July 9, 1973.....	Anderson Independent	Anderson, South Carolina
July 9, 1973.....	The Spartanburg Herald	Spartanburg County, South Carolina
July 10, 1973.....	Greenville Piedmont	Greenville, South Carolina
July 12, 1973.....	The News and Courier	Charleston, South Carolina

Applicant states that the proposed subsidiary would engage in the activities of general mortgage banking and would act as an agent in the sale of credit life and credit accident and health insurance related to extension of credit. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or

⁷ Voting for this action: Chairman Burns and Governors Mitchell, Sheehan and Bucher. Absent and not voting: Governors Daane, Brimmer and Holland.

at the Federal Reserve Bank of Richmond.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than September 2, 1973.

Board of Governors of the Federal Reserve System, August 6, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16681 Filed 8-10-73; 8:45 am]

FIRST BANKSHARES CORP. OF SOUTH CAROLINA

Proposed Acquisition of Stevenson,
Zimmerman & Co.

First Bankshares Corp. of South Carolina, Columbia, South Carolina, has applied, pursuant to section 4(c) (8) of the Bank Holding Company Act (12 U.S.C. 1843(c) (8)) and § 225.4(b) (2) of the Board's Regulation Y, for permission to acquire voting shares of Stevenson, Zimmerman & Co., Charleston, South Carolina. Notice of the application was published on July 12, 1973 in *The News and Courier* a newspaper circulated in Charleston, South Carolina.

Applicant states that the proposed subsidiary would engage in the activities of general mortgage banking and would act as an agent in the sale of credit life and credit accident & health insurance related to the extension of credit. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the Federal Reserve Bank of Richmond, the offices of the Board of Governors or at the Federal Reserve Bank of Richmond.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than September 2, 1973.

Board of Governors of the Federal Reserve System, August 6, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16682 Filed 8-10-73; 8:45 am]

FIRST JERSEY NATIONAL CORP.

Proposed Acquisition of the Loans, Accounts and Notes Receivable, and Fixed Assets of Delaney Finance Co., Inc.

First Jersey National Corporation, Jersey City, New Jersey, has applied, pursuant to section 4(c) (8) of the Bank Holding Company Act (12 U.S.C. 1843(c) (8)) and § 225.4(b) (2) of the Board's Regulation Y, for permission to acquire through its wholly-owned subsidiary, Guardian Commercial Corp., the loans, accounts and notes receivable, and fixed assets of Delaney Finance Co., Inc., Providence, Rhode Island. Notice of the application was published on March 28, 1973 in *The Providence Journal* a newspaper circulated in Providence, Rhode Island.

Applicant states that the proposed subsidiary would engage in the activities of making secured and unsecured loans under Chapter 19-25.3 of the General Laws of the State of Rhode Island, and in connection therewith the sale of credit life and credit accident and health insurance. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of New York.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than September 2, 1973.

Board of Governors of the Federal Reserve System, August 6, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16683 Filed 8-10-73; 8:45 am]

IRWIN UNION CORP.

Proposed Acquisition of Irwin Union Credit Insurance Company; Correction

AUGUST 6, 1973.

In FR Doc. 73-15527 appearing on page 20298 of the issue for Monday, July 30, 1973, the second sentence in the first paragraph should read as follows:

"Notice of the application was published on April 20, 1973 in *The Republic*, a newspaper circulated in Columbus, Indiana."

Board of Governors of the Federal Reserve System, August 6, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16678 Filed 8-10-73; 8:45 am]

MERCANTILE BANCORPORATION

Acquisition of Bank

Mercantile Bancorporation Inc., St. Louis, Missouri, has applied for the Board's approval under section 3(a) (3) of the Bank Holding Company Act (12 U.S.C. 1842(a) (3)) to acquire 90 per cent or more of the voting shares of Sedalia Bank and Trust Company, Sedalia, Missouri. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of St. Louis. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16698 Filed 8-10-73; 8:45 am]

NEW ENGLAND BANCORP, INC.

Formation of Bank Holding Company

New England Bancorp., Inc., Waltham, Massachusetts, has applied for the Board's approval under section 3(a) (1) of the Bank Holding Company Act (12 U.S.C. 1842(a) (1)) to become a bank holding company through acquisition of 100 per cent (less directors' qualifying shares) of the voting shares of Guaranty-First Trust Company, Waltham, Massachusetts. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Boston. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System,

Washington, D.C. 20551, to be received not later than August 19, 1973.

Board of Governors of the Federal Reserve System, August 2, 1973.

[SEAL] THEODORE E. ALLISON,
*Assistant Secretary
of the Board.*

[FR Doc.73-16647 Filed 8-10-73;8:45 am]

NORTHEAST BANKSHARE ASSOCIATION

Acquisition of Bank

Northeast Bankshares Association, Lewiston, Maine, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of Sanford Trust Company, Sanford, Maine. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Boston. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16696 Filed 8-10-73;8:45 am]

OLD KENT FINANCIAL CORP.

Acquisition of Bank

Old Kent Financial Corporation, Grand Rapids, Michigan, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares of the successor by consolidation to Fremont Bank and Trust Company, Fremont, Michigan. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the office of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit his views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than August 15, 1973.

Board of Governors of the Federal Reserve System, August 2, 1973.

[SEAL] THEODORE E. ALLISON,
*Assistant Secretary
of the Board.*

[FR Doc.73-16644 Filed 8-10-73;8:45 am]

TWIN GATES CORP. AND NORTHERN STATES BANCORPORATION, INC.

Proposed Acquisition of Kelly Mortgage and Investment Company and Its Subsidiaries Kelly Holding Company and Income Advisory Corporation

Twin Gates Corporation, Wilmington, Delaware and its subsidiary, Northern States Bancorporation, Inc., Detroit Michigan have applied pursuant to § 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire voting shares of Kelly Mortgage and Investment Company ("Kelly") and its subsidiaries Kelly Holding Company ("Kelly Holding") and Income Advisory Corporation ("Income"), all with head offices in Flint, Michigan. Notice of the application was published on the following newspapers on the following dates:

Date	Newspaper	City and State
May 15 and June 9, 1973.	The San Antonio Express & San Antonio Evening News.	San Antonio, Texas.
May 12, and June 12, 1973.	The Palm Beach Post.	Palm Beach, Florida.
May 11, and June 8, 1973.	The Flint Journal.	Genesee County, Michigan.
May 15, and June 11, 1973.	The State Journal.	Ingham County, Michigan.
May 17, and June 14, 1973.	The Eccentric.	Oakland County, Michigan.

Applicant states that Kelly would engage in mortgage banking activities, including the origination of mortgages for sale to permanent investors and servicing of mortgages for permanent investors, all with respect to residential, commercial, and industrial real estate and the making of interim construction loans. Kelly Holding would engage in the business of selling residential FHA and VA loans on a bulk purchase basis to a life insurance company. Income would engage in the business of being an advisor to a real estate investment trust. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposals can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing

and a statement of the reasons why this matter should not be resolved without a hearing.

The applications may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Chicago.

Any views or requests for hearing should be submitted in writing and received by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than August 30, 1973.

Board of Governors of the Federal Reserve System, August 3, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.

[FR Doc.73-16694 Filed 8-10-73;8:45 am]

UNION COMMERCE CORP.

Proposed Acquisition of Bjarke Associates, Inc.

Union Commerce Corporation, Cleveland, Ohio, has applied, pursuant to section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, for permission to acquire voting shares of Bjarke Associates, Inc., New York, New York. Notice of the application was published on June 12, 1973 in The Plain Dealer, a newspaper circulated in Cleveland, Ohio and in the Rochester Democrat & Chronicle, a newspaper circulated in Rochester, New York.

Applicant states that the proposed subsidiary would engage in the activities of acting as investment advisor and portfolio manager for employee benefit, private foundation, educational endowment and personal funds. Such activities have been specified by the Board in § 225.4(a) of Regulation Y as permissible for bank holding companies, subject to Board approval of individual proposals in accordance with the procedures of § 225.4(b).

Interested persons may express their views on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question should be accompanied by a statement summarizing the evidence the person requesting the hearing proposes to submit or to elicit at the hearing and a statement of the reasons why this matter should not be resolved without a hearing.

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Cleveland.

Any views or requests for hearing should be submitted in writing and re-

ceived by the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, not later than September 2, 1973.

Board of Governors of the Federal Reserve System, August 6, 1973.

[SEAL] THEODORE E. ALLISON,
Assistant Secretary of the Board.
[FR Doc.73-16679 Filed 8-10-73;8:45 am]

UNITED FIRST FLORIDA BANKS, INC.
Order Approving Acquisition of Bank

United First Florida Banks, Inc., Tampa, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under Section 3(a) (3) of the Act (12 U.S.C. 1842(a)(3)) of the acquisition of 80 percent or more of the voting shares of the Davenport State Bank, Davenport, Florida ("Bank"), a proposed new bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with Section 3(b) of the Act. The time for filing comments and views has expired, and none have been received. The application has been considered in light of the factors set forth in Section 3(c) of the Act (12 U.S.C. 1842 (c)).

Applicant controls 31 banks having aggregate deposits of \$971.5 million¹ and ranks as the fifth largest banking organization in Florida. Bank's establishment and acquisition will not affect concentration of banking resources in this State.

Davenport is in the eastern half of Polk County, Florida, the relevant market, in which 13 banks and eight bank holding companies are now operating. Applicant is the third largest of these organizations, and controls two banks with 10.72 per cent of the aggregate deposits in the market. Applicant's formation and acquisition of Bank will improve Applicant's competitive position in the market, but not to the extent that its position is dominant so as to foreclose others from entry. Considerations under the competitive aspects are consistent with approval of the application.

Applicant proposes to offer banking services to an area not conveniently served by banks now in the market; it would thus tend to serve the convenience and needs of the community, and this lends weight to approval.

The financial and managerial resources of Applicant, its subsidiary banks, and Bank are consistent with approval, particularly in view of Applicant's commitment to improve the capital position of several of its other subsidiary banks. It is the Board's judgment that the proposed transaction is in the public interest, and that the application should be approved.

¹ All banking data are as of June 30, 1972, unless otherwise noted, and include formations and acquisitions approved by the Board through June 12, 1973.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors,² effective August 6, 1973.

[SEAL] CHESTER B. FELDBERG,
Secretary of the Board.
[FR Doc.73-16677 Filed 8-10-73;8:45 am]

**GENERAL SERVICES
ADMINISTRATION**

[Federal Property Management Reg.;
Temporary Reg. F-187]

SECRETARY OF TRANSPORTATION

Delegation of Authority

Correction

In FR Doc. 73-15741 appearing on page 20380 in the issue of Tuesday, July 31, 1973, the headings should read as set forth above.

[Federal Property Management Regs.
Temporary Reg. F-189]

SECRETARY OF DEFENSE

Delegation of Authority

1. *Purpose.* This regulation delegates authority to the Secretary of Defense to represent the consumer interests of the executive agencies of the Federal Government in a telecommunications service rate proceeding.

2. *Effective date.* This regulation is effective immediately.

3. *Delegation.* a. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949, 63 Stat. 377, as amended, particularly sections 201(a)(4) and 205(d)(4) (40 U.S.C. 481(a)(4) and 486(d)), authority is delegated to the Secretary of Defense to represent the consumer interests of the executive agencies of the Federal Government before the North Carolina Utilities Commission in a proceeding involving an application of the Southern Bell Telephone and Telegraph Company for a telecommunications service rate increase.

b. The Secretary of Defense may redelegate this authority to any officer, official, or employee of the Department of Defense.

c. This authority shall be exercised in accordance with the policies, procedures, and controls prescribed by the General Services Administration, and, further, shall be exercised in cooperation with

² Voting for this action: Chairman Burns and Governors Mitchell, Sheehan, Bucher. Absent not voting: Governors Daane, Brimmer, and Holland.

the responsible officers, officials, and employees thereof.

ARTHUR F. SAMPSON,
Administrator of General Services.
August 6, 1973.

[FR Doc.73-16706 Filed 8-10-73;8:45 am]

**SECURITIES AND EXCHANGE
COMMISSION**

[File Nos. 7-4421-7-4428]

AVIS, INC., ET AL.

Notice of Applications for Unlisted Trading Privileges and of Opportunity for Hearing

AUGUST 6, 1973.

In the matter of applications of the Boston Stock Exchange, Inc., for unlisted trading privileges in certain securities.

The above named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

Avis, Inc.	File No. 7-4421
Colonial Penn Group	File No. 7-4422
Davis Food Services, Inc.	File No. 7-4423
Franklin Stores Corp.	File No. 7-4424
General Development Corp.	File No. 7-4425
Hospital Corp. of America	File No. 7-4426
Jefferson-Pilot Corp.	File No. 7-4427
Louisiana-Pacific Corp.	File No. 7-4428

Upon receipt of a request, on or before August 22, 1973 from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington, D.C., 20549 not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

[SEAL] RONALD F. HUNT,
Secretary.

[FR Doc.73-16091 Filed 8-10-73;8:45 am]

[812-3484]

BUNKER HILL INCOME SECURITIES, INC.
Notice of Filing of Application for Order of Exemption

AUGUST 6, 1973.

Notice is hereby given that Bunker Hill Income Securities, Inc., 9200 Sunset Boulevard, Suite 930, Los Angeles, California 90069 ("Applicant"), a diversified, closed-end management investment company, in connection with a proposed public offering of shares of its common stock, has filed an application pursuant to section 6(c) of the Investment Company Act of 1940 (the "Act") for an order of exemption from sections 15(a) and 16(a) of the Act to the extent necessary to permit Security Pacific National Bank to serve as investment adviser of the Applicant pursuant to a written investment advisory contract approved by the Applicant's Board of Directors even though such contract has not been approved by a vote of the shareholders of the Applicant, and to permit directors of the Applicant to serve as directors without having been elected to such positions by the shareholders of the Applicant, such exemptions to be effective until the meeting of shareholders to be held within 180 days after the effective date of the Applicant's Registration Statement on Form S-4 filed under the Securities Act of 1933 (the "1933 Act"). 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.

Applicant, at present, has no shareholders, but proposes to issue up to 4,400,000 shares of its common stock when its 1933 Act Registration Statement becomes effective. Applicant also proposes to enter into an investment advisory agreement with Security Pacific National Bank under which the bank will serve as investment adviser of the Applicant.

Section 15(a) of the Act provides, in part, that a person may not serve as an investment adviser of a registered investment company except pursuant to a written contract which has been approved by a vote of a majority of the outstanding voting securities of such registered investment company, and section 16(a) of the Act provides, with limited exceptions not here relevant, that no person shall serve as a director of a registered investment company unless elected to that office by the holders of the outstanding voting securities of such company. Inasmuch as the Applicant has no shareholders to date, the investment advisory contract has not been approved by the shareholders and the Board of Directors of the Applicant has not been elected by the shareholders.

The application states that the proposed investment advisory contract will comply with the provisions of the Act in all respects except as to necessary advance shareholder approval provided in section 15(a) of the Act, and that the persons serving as directors of the Applicant will meet all of the requirements

of the Act except the requirements of section 16(a) that they be elected to that office by holders of the outstanding voting securities of the Applicant and that at least 2/3 of the directors in office have been elected by shareholders of the Applicant.

The application states that the entire Board of Directors will stand for election, and the investment advisory contract will be presented for approval, at the meeting of shareholders to be held within 180 days after the effective date of the Applicant's 1933 Act Registration Statement, and that the prospectus to be used by the Applicant in connection with the sale of its shares of common stock will contain full appropriate information concerning the directors and investment advisory contract.

Applicant submits that the requested exemptions from the provisions of sections 15(a) and 16(a) of the Act are necessary and 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.

Section 6(c) of the Act authorizes the Commission to exempt any person, security or transaction, or any class or classes of persons, securities or transactions from the provisions of the Act and Rules promulgated thereunder 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 August 31, 1973 at 5:30 p.m., submit to the Commission in writing a request for a hearing on this matter accompanied by a statement as to the nature of his or her interest, the reason for such request, and the issues of fact or law proposed to be controverted, or he or she may request that he or she 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 (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant 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 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, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] RONALD F. HUNT,
 Secretary.

[FR Doc.73-16688 Filed 8-10-73;8:45 am]

[File No. 500-1]

CONTINENTAL VENDING MACHINE CORP.
Order Suspending Trading

AUGUST 7, 1973.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, 10¢ par value, of Continental Vending Machine Corporation, and the 6% convertible subordinated debentures due September 1, 1976 being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period from August 8, 1973 through August 17, 1973.

By the Commission.

[SEAL] RONALD F. HUNT,
 Secretary.

[FR Doc.73-16673 Filed 8-10-73;8:45 am]

[70-5372]

DELMARVA POWER & LIGHT CO.

Notice of Proposed Issue and Sale of Preferred Stock at Competitive Bidding

AUGUST 7, 1973.

Notice is hereby given that Delmarva Power and Light Company ("Delmarva"), 800 King Street, Wilmington, Delaware 19899, a registered holding company, has filed a declaration with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6 and 7 of the Act and Rule 50 promulgated thereunder as applicable to the proposed transaction. All interested persons are referred to the declaration, which is summarized below, for a complete statement of the proposed transaction.

Delmarva proposes to issue and sell, subject to the competitive bidding requirements of Rule 50, 150,000 shares of its cumulative preferred stock, par value \$100 per share. The dividend rate of the preferred stock (which will be a multiple of .04%) and the price, exclusive of accrued dividends, to be paid to Delmarva (which will be not less than \$100 per share nor more than \$102.75) will be determined by the competitive bidding. The terms of the preferred stock include a prohibition until October 1, 1978, against redeeming the preferred stock, directly or indirectly, with funds derived from the issuance of debt securities at a lower effective interest cost or other preferred stock at a lower effective dividend cost.

The net proceeds from the sale of the preferred stock will be applied toward the retirement of the Company's First Mortgage and Collateral Trust Bonds, 3% Series, due October 1, 1973.

A statement of the fees and expenses to be incurred in connection with the proposed transaction will be filed by amendment. It is represented that the Public Service Commission of Delaware has jurisdiction over the proposed issue of preferred stock by Delmarva and that no other State commission or Federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than August 31, 1973, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the declarant at the above-stated address, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed with the request. At any time after said date, the declaration, as filed or as it may be amended, may be permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. 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, by the Division of Corporate Regulation, pursuant to delegated authority.

(SEAL) RONALD F. HUNT,
Secretary.

[FR Doc. 73-16674 Filed 8-10-73; 8:45 am]

[File No. 500-1]

JEROME MACKEY'S JUDO, INC.

Order Suspending Trading

AUGUST 7, 1973.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, \$.01 par value, and all other securities of Jerome Mackey's Judo, Inc. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period from August 8, 1973 through August 17, 1973.

By the Commission.

(SEAL) RONALD F. HUNT,
Secretary.

[FR Doc. 73-16675 Filed 8-10-73; 8:45 am]

[File Nos. 7-4429-74435]

MASONITE CORP., ET AL.

Notice of Applications for Unlisted Trading Privileges and of Opportunity for Hearing

AUGUST 6, 1973.

In the matter of applications of the Boston Stock Exchange, Inc. for unlisted trading privileges in certain securities.

The above named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

	File No.
Masonite Corporation.....	7-4429
Ponderosa System, Inc. (Del).....	7-4430
Helena Rubinstein, Inc.....	7-4431
Russ Togs, Inc.....	7-4432
Statham Instruments, Inc.....	7-4433
Sternco Industries, Inc.....	7-4434
Tesoro Petroleum.....	7-4435

Upon receipt of a request, on or before August 22, 1973 from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

(SEAL) RONALD F. HUNT,
Secretary.

[FR Doc. 73-16692 Filed 8-10-73; 8:45 am]

[70-5368]

MICHIGAN CONSOLIDATED GAS CO.

Notice of Proposed Short-Term Borrowing From Trust Department of a Bank and Issuance and Sale of Notes to Banks and or Issuance and Sale of Commercial Paper

AUGUST 7, 1973.

Notice is hereby given that Michigan Consolidated Gas Company ("Michigan Consolidated"), One Woodward Avenue, Detroit, Michigan 48226, a gas utility subsidiary company of American Natural Gas Co., a registered holding company, has filed an application-declaration and amendment thereto with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6 and 7 of the Act and Rules 42(b)(2), 50(a)(2) and 70(b)(2) promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the amended application-declaration, which is summarized below, for a complete statement of the proposed transaction.

Michigan Consolidated proposes, from time to time until September 1, 1974 and to the extent funds are available, to borrow up to a maximum of \$12,000,000 outstanding at any one time from the Trust Department of the National Bank of Detroit ("Trust Department"), which administers, as Trustee, pension and other funds of many corporations. It is stated that borrowings from the Trust Department will be made under an agreement between Michigan Consolidated and the Trust Department, on notes, at an interest rate (computed on a 360-day interest bearing basis) equivalent to the highest rate paid daily by General Motors Acceptance Corporation on its commercial paper with a maturity of 30 to 180 days. Michigan Consolidated will be notified by the Trust Department of any change in the interest rate. The notes issued from January 1 to June 30 will mature July 1 of the same year and those issued from July 1 to December 31 will mature January 1 of the following year. The Trust Department will have the right, however, to demand payment at any time of all or any part of the principal of the loan or loans outstanding. Michigan Consolidated will have the right to repay the notes at any time without penalty. Michigan Consolidated proposes to report quarterly to the Commission the amounts borrowed from the Trust Department and the interest rate thereon. It is further stated that under terms of an identical arrangement of September 1972, with the Trust Department (Holding Company Act Release No. 17677, dated August 29, 1972), borrowings thereunder ranged from a low of \$7,311,000 on April 23, 1973 to a high of \$11,991,000 on January 15, 1973. If borrowings from the Trust Department should decline below \$6,000,000, it may be necessary, depending upon the amount of borrowings from the banks and commercial paper outstanding, to supply the required funds for a short time by a temporary draw-

ing down of Michigan Consolidated's cash balances. The Trust Department has a continuous flow of funds from its internal operations and follows a practice of pooling these funds and loaning them to various corporations through its nominee, Trussal & Co., so that Michigan Consolidated anticipates always having a minimum of \$6,000,000 available from this source.

Michigan Consolidated states it has obtained lines of credit from a group of six commercial banks (herein collectively referred to as "Banks") providing for bank borrowings on its promissory notes ("Notes"). The Banks and their respective commitments are as follows:

Name of Bank	Amount of Commitment
National Bank of Detroit, Detroit, Michigan	\$12,000,000
First National City Bank, New York, New York	8,000,000
The Chase Manhattan Bank, New York, New York	5,000,000
Manufacturers Hanover Trust Company, New York, New York	4,000,000
The Detroit Bank & Trust Company, Detroit, Michigan	3,000,000
Manufacturers National Bank of Detroit, Detroit, Michigan	3,000,000
	\$35,000,000

Michigan Consolidated states the Notes will be unsecured and will be issued in varying amounts commencing in September, 1973 and from time to time as funds are required by Michigan Consolidated. There is no commitment fee, closing or other related charges payable to the Banks in connection with the bank borrowings. The Notes may be prepaid at any time without penalty. If any Notes are prepaid, new Notes may be issued provided that the aggregate principal amount of Notes outstanding at any one time does not exceed \$35,000,000. The Notes will be dated as of the date of issuance and will mature September 1, 1974. Each Note will bear interest at the prime rate in effect at the lending bank on the date of each borrowing and will be adjusted to the prime rate effective with any change in said rate. Interest shall be payable at the end of each 90-day period subsequent to the date of the first borrowing and at maturity. As a condition of these lines of credit, Michigan Consolidated is required to maintain compensating balances with the Banks. If it is assumed that these balances are maintained solely in order to fulfill the compensating balance requirement, the effective cost is thereby increased by approximately one and one-half percent above the stated rates, based upon a prime rate of 8¾%.

Michigan Consolidated proposes, in lieu of borrowing under the lines of credit, to issue and sell from time to time commercial paper payable to bearer, with maturities not later than September 1, 1974, in the aggregate face amount not to exceed \$35,000,000 outstanding at

any one time. The commercial paper will be sold to Goldman, Sachs & Co., a New York, New York dealer in commercial paper. The commercial paper will have varying maturities of not more than 270 days after the date of issue and will be issued and sold in varying denominations of not less than \$50,000 and not more than \$2,000,000 directly to Goldman, Sachs & Co. at a discount which will not be in excess of the discount rate per annum prevailing at the date of issuance for commercial paper of comparable quality and like maturities. Michigan Consolidated proposes to sell commercial paper only so long as the effective interest cost for such commercial paper does not be in excess of the discount rate per annum from commercial banks (after taking into consideration compensating balances) on the date of sale, except for commercial paper of maturity not exceeding 90 days issued to refund outstanding commercial paper. If, in the judgment of Michigan Consolidated, it would be impractical to borrow from commercial banks to refund such outstanding commercial paper.

No commission or fee will be payable by Michigan Consolidated in connection with the issue and sale of such commercial paper notes. Goldman, Sachs & Co., as principal, will reoffer such notes at a discount not to exceed ¼ of 1% per annum less than the prevailing discount rate to Michigan Consolidated. Such notes will be reoffered to not more than 200 identified and designated customers in a list (non-public) prepared in advance by Goldman, Sachs & Co. and no additions will be made to the customer list without approval of this Commission. It is anticipated that the commercial paper will be held by customers to maturity; however, if any commercial paper is repurchased by Goldman, Sachs & Co., such paper will be reoffered only to others in the group of 200 customers. Michigan Consolidated proposes to report quarterly to the Commission pursuant to Rule 24 the amounts issued and sold by Goldman, Sachs & Co. and the discount thereon.

In July 1973 Michigan Consolidated sold \$35,000,000 principal amount of first mortgage bonds and 400,000 shares of its common stock (\$14 per share par value) for \$5,600,000 (Holding Company Act Release No. 18011, June 28, 1973). Part of the proceeds will be used to retire \$17,000,000 of outstanding bank loans due August 31, 1973 (Holding Company Act Release No. 17677, August 29, 1972). The remaining net proceeds together with the borrowings herein requested will be used to partially finance the Company's 1973 construction program (estimated at \$91,000,000). It is anticipated that funds required to retire the borrowings herein requested will ultimately be obtained from additional long-term financing and funds generated internally.

Michigan Consolidated states that the total amount of proposed borrowings from the Trust Department, Banks and or the issuance and sale of commercial paper will not exceed \$41,000,000 outstanding at any one time.

Michigan Consolidated also plans to borrow, pursuant to the exemption contained in section 6(b) of the Act, up to \$26,000,000 to partially finance current inventory of gas placed in underground storage. It is stated that funds are generated in an amount sufficient to repay these borrowings as the inventory gas is sold to meet the winter demand of customers.

Fees and expenses incident to the proposed transactions are estimated at \$3,000, including counsel fees of \$500. The application-declaration as amended states that no approval or consent of any regulatory body other than this Commission is necessary for the consummation of the proposed transactions.

Notice is further given that any interested person may, not later than August 31, 1973, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the application-declaration, as amended, which he desires to controvert; or he may request that he be notified should the Commission order a hearing in respect thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicant-declarant at the above-stated address, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed with the request. At any time after said date, the application-declaration, as amended or as it may be further amended, may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. 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 by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL] RONALD F. HUNT,
Secretary.

[FR Doc. 73-16672 Filed 8-10-73; 8:45 am]

[70-5374]

MIDDLE SOUTH UTILITIES, INC., ET AL
Proposed Sale of Microwave Equipment
Amendment to Loan Agreement

August 6, 1973.

Notice is hereby given that Middle South Utilities, Inc., 280 Park Avenue, New York, New York 10017 ("Middle South"), a registered holding company, Arkansas Power & Light Company, Ninth and Louisiana Streets, Little Rock,

Arkansas 72203 ("Arkansas") and ("Louisiana"), 142 Delaronde Street, New Orleans, Louisiana 70174, electric utility subsidiary companies of Middle South, and Middle South Services, Inc., 225 Baronne Street, New Orleans, Louisiana 70112 ("Services"), a nonutility subsidiary service company of Middle South, have filed an application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(a), 7(a), 9(a), 10(a), 12(b) and 12(f) of the Act and Rules 43 and 45 promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to said application-declaration, which is summarized below, for a complete statement of the proposed transactions.

Services has been authorized by this Commission to operate control facilities used to coordinate the bulk power generation and transmission system of the Middle South System ("System") (Holding Company Act Release No. 17056, dated March 19, 1971). Furthermore, Services has also been authorized by this Commission to operate electronic data processing facilities for the System (Holding Company Act Release No. 16044, dated April 24, 1968). Pursuant thereto, Services has established and is operating a Systems Operations Center at Pine Bluff, Arkansas and a Computer Center at Gretna, Louisiana.

Arkansas and Louisiana own certain microwave equipment located at or near the Systems Operations Center and the Computer Center. Since the establishment of the System Operations Center and Computer Center, this particular microwave equipment has become primarily associated with the operations of the two Centers and is primarily used to tie the two Centers into the microwave communications network for Middle South System. To fulfill operational requirements of the System, additions to this microwave equipment presently are being installed.

In view of the relationship of this particular microwave equipment to the two Centers, Services proposed to acquire from Arkansas and Louisiana, and Arkansas and Louisiana propose to sell to Services such microwave equipment, including the additions thereto.

Services will acquire said microwave equipment and the additions thereto for a purchase price equal to the depreciated original cost, including construction work-in-progress. The purchase price will be adjusted for any additions and retirements occurring between May 31, 1973, and the last day of the month preceding the month of the date of the closing. It is contemplated that the closing date of the sales will be on or about September 4, 1973, for both the Arkansas and Louisiana equipment and that the total purchase price so computed will be approximately \$696,000. In addition to this amount, Services will compensate Arkansas and Louisiana for the latter's completion, subsequent to the closing date, of the additions to the microwave

equipment. This sum is currently estimated to be \$40,000.

To finance the cost of acquisition of, and additions to, the microwave equipment, and to provide funds for the presently contemplated expansion of Services' staff, functions and facilities, Services and Middle South propose to amend an existing Loan Agreement between them, dated January 12, 1972 (Holding Company Act Release No. 17379, dated November 30, 1971), to increase the total amount of allowable borrowings thereunder from \$1,000,000 to \$3,000,000. As of May 31, 1973, borrowings by Services outstanding under the Loan Agreement amount to \$800,000. Under the terms of the Loan Agreement, as amended, Services proposes, as and when required, to issue and sell to Middle South, and Middle South proposes to acquire from Services, unsecured subordinated notes.

The applicants-declarants state that no special and separable fees, commissions or expenses are anticipated in connection with the transactions proposed, except for the filing fee of \$2,000 and other legal and related expenses estimated not to exceed \$550. It is stated that no State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than August 28, 1973, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration, which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at the above-stated address, and proof of service (by affidavit or, in case of an attorney-at-law, by certificate) should be filed with the request. At any time after said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. 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, by the Division of Corporate Regulation, pursuant to delegated authority.

[SEAL]

RONALD F. HUNT,
Secretary.

[FR Doc. 73-16690 Filed 8-10-73; 8:45 am]

[811-605]

PACIFIC INVESTMENT FUND, LTD.

Notice of Proposal To Terminate
Registration

AUGUST 6, 1973.

Notice is hereby given that the Commission proposes, pursuant to section 8(f) of the Investment Company Act of 1940 ("Act"), to declare by order upon its own motion that Pacific Investment Fund, Ltd. ("Fund"), 301 Liberty Bank Building, 99 North King Street, Honolulu, Hawaii 96817, registered under the Act as an open-end, diversified management investment company, has ceased to be an investment company.

Fund was organized as a Hawaiian corporation on September 1, 1955, and registered under the Act by filing a Form N-8A Notification of Registration on October 17, 1955, and a Form N-8B-1 Registration Statement on October 27, 1955.

The Commission's records disclose that at an annual meeting held on March 18, 1959, shareholders approved the liquidation and dissolution of the Fund, and on September 28, 1959, the Trustees for creditors and stockholders of the Fund informed the Commission that such liquidation and dissolution was completed by that date and that registration of the Fund under the Act should be terminated. Fund also ceased offering its shares to the general public on November 30, 1958.

Section 8(f) of the Act, provides, in pertinent part, that when the Commission finds a registered investment company has ceased to be an investment company, it shall so declare by order, and upon the effectiveness of such order, which may be issued upon the Commission's own motion when appropriate, the registration of such company shall cease to be in effect.

Notice is further given that any interested person may, not later than August 31, 1973 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, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should 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 (air mail if the person being served is located more than 500 miles from the point of mailing) upon the Fund at the address set forth 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 matter may be issued by the Commission upon the basis of the information stated herein, unless an order for a hearing 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, by the Division of Investment Management Regulation, pursuant to delegated authority.

[SEAL] RONALD F. HUNT,
Secretary.

[FR Doc.73-16687 Filed 8-10-73;8:45 am]

[File No. 7-4436-7-4437]

**TROPICANA PRODUCTS, INC. (FLA.),
AND URIS BUILDINGS CORP.**

**Notice of Applications for Unlisted Trading
Privileges and of Opportunity for Hearing**

AUGUST 6, 1973.

In the matter of applications of the Boston Stock Exchange, Inc., for unlisted trading privileges in certain securities.

The above named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to Section 12(f) (1) (B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

Tropicana Products, Inc.
(Fla.) File No. 7-4436
Uris Buildings Corp. File No. 7-4437

Upon receipt of a request, on or before August 22, 1973 from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary, Securities and Exchange Commission, Washington, D.C., 20549 not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

[SEAL] RONALD F. HUNT,
Secretary.

[FR Doc.73-16689 Filed 8-10-73;8:45 am]

**INTERSTATE COMMERCE
COMMISSION**

[Notice No. 317]

ASSIGNMENT OF HEARINGS

AUGUST 8, 1973.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the official docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested. No amendments will be entertained after the date of this publication.

W-552 Sub 15, American Commercial Barge Line, Co., W-654 (Sub 8), Warrior & Gulf Navigation Co.—Extension-Tug & Barge, now being assigned hearing October 29, 1973 (2 weeks), at New Orleans, La., in a hearing room to be later designated.

MC 138168, Load & Go Truck Line, now assigned September 10, 1973, is postponed indefinitely.

MC 127042 Sub 113, Hagen, Inc., now being assigned September 26, 1973 (3 days), at Seattle, Wash., in a hearing room to be later designated.

MC-C-7866, Puget Sound Truck Line, Inc.—Investigation and Revocation of Certificates—, now being assigned October 1, 1973 (1 day), at Seattle, Wash., in a hearing room to be later designated.

MC 113855 Sub 272, International Transport, Inc., now being assigned October 2, 1973 (1 day), at Seattle, Wash., in a hearing room to be later designated.

MC 117304 Sub 29, Don Paffie, DBA Paffie Truck Lines, Extension-Buildings and Component Parts, now being assigned October 3, 1973, (1 day), at Seattle, Wash., in a hearing room to be later designated.

MC 113678 Sub 480, Curtis, Inc., now being assigned October 4, 1973 (2 days), at Seattle, Wash., in a hearing room to be later designated.

MC-C-8073, Piggy-Back Service Co. and C. L. "Bill" Shupe—Investigation of Operations and Practices, now being assigned hearing September 24, 1973, (1 day), at Salt Lake City, Utah in a hearing room to be later designated.

MC-113678 Sub 484, Curtis, Inc., now being assigned hearing September 25, 1973, (1 day), at Salt Lake City, Utah, in a hearing room to be later designated.

MC-125433 Sub 42, F-B Truck Line Company, now being assigned hearing September 26, 1973 (3 days), at Salt Lake City, Utah, in a hearing room to be later designated.

No. 35825, Board of Trade of the City of Chicago V. The Akron, Canton & Youngstown Railroad Company, Et Al, now assigned September 17, 1973, hearing will be held in Room 813, 610 S. Canal St., Chicago, Illinois.

MCC 8001, La Porte Transit Co., Inc., -V- South Bend Freight Line, Inc., Et Al., now

assigned September 20, 1973 hearing will be held in Room 813, 610 S. Canal St., Chicago, Illinois.

MC 13250 Sub 121, J. H. Rose Truck Line, Inc., MC 113855 Sub 264, International Transport, Inc., now assigned September 21, 1973, hearing will be held in Room 813, 610 S. Canal St., Chicago, Illinois.

MC 74238 Sub 3, Kriegsmann Transfer Company, now assigned September 24, 1973, hearing will be held in Room 813, 610 S. Canal St., Chicago, Illinois.

MC 39568 Sub 10, Arrow Transfer & Storage Company, now being assigned hearing September 17, 1973 (1 week), in Room 556 Federal Office Bldg., 275 Peachtree St., N.E., Atlanta, Georgia.

MC 107012 Sub 170, North American Van Lines, Inc., now assigned September 17, 1973, at Atlanta, Ga., is postponed indefinitely.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.73-16738 Filed 8-10-73;8:45 am]

**FOURTH SECTION APPLICATIONS FOR
RELIEF**

AUGUST 8, 1973.

An application, as summarized below, has been filed requesting relief from the requirements of section 4 of the Interstate Commerce Act to permit common carriers named or described in the application to maintain higher rates and charges at intermediate points than those sought to be established at more distant points.

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 on or before August 28, 1973.

FSA No. 42728—Fertilizer and Fertilizer Materials from Erda, Utah. Filed by Southwestern Freight Bureau, Agent, (No. B-421), for interested rail carriers. Rates on fertilizer and fertilizer materials, in carloads and tank-car loads, as described in the application, from Erda, Utah, to points in southwestern territory. Grounds for relief—Market competition, modified short-line distance formula and grouping.

Tariff—Supplement 161 to Southwestern Freight Bureau, Agent, tariff 270-F, I.C.C. No. 4632. Rates are published to become effective on September 13, 1973.

FSA No. 42729—Alloys or Metals from Braddock and McKees Rocks, Pennsylvania. Filed by Southwestern Freight Bureau, Agent, (No. B-422), for interested rail carriers. Rates on alloys or metals, in carloads, as described in the application, from Braddock and McKees Rocks, Pa., to specified points in Texas. Grounds for relief—Market competition and rate relationship. Tariffs—Supplements 263 and 265 to Southwestern Freight Bureau, Agent, tariffs 1-F and 2-G, I.C.C. Nos. 4875 and 4947, respectively. Rates are published to become effective on September 13, 1973.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.73-16740 Filed 8-10-73;8:45 am]

[Notice No. 107]

**MOTOR CARRIER TEMPORARY
AUTHORITY APPLICATIONS**

AUGUST 7, 1973.

The following are notices of filing of application, except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application, 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 C.F.R. 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 (6) copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 8973 (Sub-No. 32 TA) filed July 23, 1973 Applicant: METROPOLITAN TRUCKING, INC. 2424 95th Street North Bergen, N.J. 07047 Applicant's representative: George A. Olsen 89 Tonelle Avenue Jersey City, N.J. 07306 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Glazed cinder blocks*, from Baltimore, Md., to points in Connecticut, Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, New York and New Jersey, for 180 days. SUPPORTING SHIPPER: United Glazed Products, Inc., P.O. Box 6077, Baltimore, Md. 21231. SEND PROTESTS TO: District Supervisor Robert E. Johnston, Bureau of Operations, Interstate Commerce Commission, 9 Clinton Street, Newark, N.J. 07102.

No. MC 10792 (Sub-No. 1 TA) filed July 26, 1973 Applicant: LESLIE B. WILTFONG doing business as L. B. WILTFONG MOVERS 2612 N. Home Street Mishawaka, Ind. 46544 Applicant's representative: Leslie B. Wiltfong (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, between South Bend and Mishawaka, Ind., on the one hand, and points in Tennessee on the other, for 180 days. SUPPORTING SHIPPER: Bendix Corporation, 1217 South Walnut St., South Bend, Ind. SEND PROTESTS TO: District Supervisor J. H.

Gray, Bureau of Operations, Interstate Commerce Commission, Room 204, Ft. Wayne, Ind. 46802.

No. MC 30844 (Sub-No. 472 TA) filed July 18, 1973 Applicant: KROBLIN REFRIGERATED XPRESS, INC. 2125 Commercial Street P.O. Box 5000 Waterloo, Iowa 50702 Applicant's representative: Paul Rhodes (same address as applicant) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wooden furniture frames* (knocked down), from Como, Miss., to Eldora, Iowa, for 180 days. SUPPORTING SHIPPER: Justice Furniture Company of Iowa, Industrial Park, Eldora, Iowa. SEND PROTESTS TO: Herbert W. Allen, Transportation Specialist, Bureau of Operations, Interstate Commerce Commission, 875 Federal Bldg., Des Moines, Iowa 50309.

No. MC 30844 (Sub-No. 473 TA) filed July 18, 1973 Applicant: KROBLIN REFRIGERATED XPRESS, INC. 2125 Commercial Street P.O. Box 5000 Waterloo, Iowa 50702 Applicant's representative: Paul Rhodes (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such articles* as are dealt in by retail gift stores, from Laredo, Tex., to Winona, Minn., for 180 days. SUPPORTING SHIPPER: L. A. S. Incorporated, D.B.A. Mexico, U.S.A., 1023 Mankato Avenue, Winona, Miss. 55987. SEND PROTESTS TO: Herbert W. Allen, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 875 Federal Bldg., Des Moines, Iowa 50309.

No. MC 41706 (Sub-No. 17 TA) filed July 30, 1973 Applicant: TOSE, INC. 84 West Fourth Street Bridgeport, Pa. 19405 Applicant's representative: Anthony C. Vance 1111 E Street, N.W. Suite 501 Washington, D.C. 20004 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is ordinarily dealt in by retail stores, premium redemption companies, and mail-order houses, between New York, N.Y.; Washington, D.C.; points in Fairfield, Hartford and New Haven Counties, Conn.; Albany, Columbia, Dutchess, Fulton, Greene, Montgomery, Nassau, Orange, Putnam, Rensselaer, Rockland, Schenectady, Schoharie, Suffolk, Sullivan, Ulster and Westchester Counties, N.Y.; and points in Delaware, Maryland, New Jersey and Pennsylvania, for 180 days. RESTRICTIONS: The service authorized next above is subject to the following conditions: (1) No traffic shall be transported between Washington, D.C., on the one hand, and, on the other, points in Maryland; (2) No traffic shall be transported from Newark, Del., and points within the commercial zone of Newark, Del., but not including Wilmington, Del., to points in Maryland and Washington, D.C.; (3) No traffic shall be transported between points in Albany, Columbia, Fulton, Greene, Montgomery, Rensselaer and Schenectady Counties, N.Y.; and

(4) the service authorized shall be restricted against the transportation of any shipment weighing more than 250 lbs., for the purpose of this restriction a package or group of packages from a single consignor to a single consignee at a single destination shall be considered a shipment. Note: Tacking is unintended but interline will be made at Edison, N.J. SUPPORTING SHIPPERS: Popular Club Plan, 128 Dayton Avenue, Passaic, N.J.; Retail Delivery Service, Inc., 382 McLean Blvd., Paterson, N.J. 07513; The Drug House, Inc., 1011 W. Butler Street, Philadelphia, Pa.; Sears, Roebuck & Co., 4640 Roosevelt Blvd., Philadelphia, Pa.; William H. Rorer, 500 Virginia Dr., Fort Washington, Pa.; and Spiegel, Inc., 2511 W. 23rd Street, Chicago, Ill. SEND PROTESTS TO: Ross A. Davis, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Wm. J. Green, Jr. Federal Bldg., 600 Ach Street, Room 3238, Philadelphia, Pa. 19106.

No. MC 44913 (Sub-No. 10 TA) filed July 27, 1973 Applicant: E. ROSCOE WILLEY, INC. P.O. Box 116 Secretary, Md. 21664 Applicant's representative: Daniel B. Johnson 716 Perpetual Building 1111 E Street, N.W. Washington, D.C. 20004 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Malt beverages*, from Winston-Salem, N.C., to New Castle and Milford, Del., for 180 days. SUPPORTING SHIPPER: Major Distributing Co., Inc., 3020 Bowlerama Drive, New Castle, Del. 19720. SEND PROTESTS TO: Robert D. Caldwell, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 12th Street & Constitution Ave., N.W., Washington, D.C. 20423.

No. MC 51146 (Sub-No. 324 TA) filed July 20, 1973 Applicant: SCHNEIDER TRANSPORT, INC. 2661 South Broadway P.O. Box 2298 (Box zip 54306) Green Bay, Wis. 54304 Applicant's representative: Neil DuJardin (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wooden veneer cheese boxes*, from Seymour, Wis., to Cabot, Vt., for 180 days. SUPPORTING SHIPPER: Seymour Woodware Co., Inc., 522 Seymour Street, Seymour, Wis. 54165 (Quintin J. Adamski, President). SEND PROTESTS TO: District Supervisor John E. Ryden, Bureau of Operations, Interstate Commerce Commission, 135 West Wells Street—Room 807, Milwaukee, Wis. 53203.

No. MC 52460 (Sub-No. 123 TA) filed July 30, 1973 Applicant: HUGH BREEDING, INC. 1420 West 35th Street P.O. Box 9515 Tulsa, Okla. 74107 Applicant's representative: Steve B. McCommas (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Charcoal, charcoal briquettes and related items*, i.e. lighter fluid, wood chips and barbecue base, from Branson, Mo., to points in Iowa, Arkansas, Colorado, Illinois, Indiana,

Kansas, Kentucky, Texas, Louisiana, Minnesota, Nebraska, Oklahoma and Tennessee, for 180 days. SUPPORTING SHIPPER: Harvey E. Webb, Mgr., Supply, Distr. and Pur., Husky Industries, Inc., 62 Perimeter Center East, Atlanta, Ga. 30346. SEND PROTESTS TO: C. L. Phillips, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Rm. 240-Old P.O. Bldg., 215 NW Third, Oklahoma City, Okla. 73102.

No. MC 107496 (Sub-No. 902 TA) filed July 20, 1973 Applicant: RUAN TRANSPORT CORPORATION Third and Keosauqua Way P.O. Box 855 (Box zip 50304) Des Moines, Iowa 50309 Applicant's representative: E. Check (same address as applicant) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fuel oil*, in bulk, from Freeport, Ill., to points in Iowa, for 150 days. SUPPORTING SHIPPER: Thomas Oil, Inc., 528 1/2 South Front St., Mankato, Minn. 56001. SEND PROTESTS TO: Herbert W. Allen, Transportation Specialist, Interstate Commerce Commission, Bureau of Operations, 875 Federal Bldg., Des Moines, Iowa 50309

No. MC 111045 (Sub-No. 103 TA) filed July 30, 1973 Applicant: REDWING CARRIERS, INC. Post Office Box 426 Tampa, Fla. 33601 Applicant's representative: J. V. McCoy (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paint removing compound*, in bulk, in tank vehicles, from Montgomery, Ala., to Wichita, Kans., for 180 days. SUPPORTING SHIPPER: Pennwalt Corporation, 3 Parkway, Philadelphia, Pa. 19102. SEND PROTESTS TO: District Supervisor Joseph B. Telchert, Bureau of Operations, Interstate Commerce Commission, 5720 S.W. 17th St., Room 105, Miami, Fla. 33155.

No. MC 111170 (Sub-No. 207 TA) filed July 30, 1973 Applicant: WHEELING PIPE LINE, INC. 2811 N. West Avenue P.O. Box 1718 El Dorado, Ark. 71730 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sodium hydro sulfide*, in bulk, from Magnolia, Ark., to Montgomery, Ala., for 180 days. SUPPORTING SHIPPER: Dow Chemical U.S.A., Louisiana Division, Plaquemine, La. 70764. SEND PROTESTS TO: District Supervisor William H. Land, Jr., Bureau of Operations, Interstate Commerce Commission, 2519 Federal Office Building, 700 West Capitol, Little Rock, Ark. 72201.

No. MC 112963 (Sub-No. 44TA) filed July 30, 1973 Applicant: ROY BROS. INC. 764 Boston Road Pinehurst, Mass. 01866 Applicant's representative: Leonard E. Murphy (same address as above) Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Water softening or clarifying compounds*, dry, in bulk, in tank or hopper vehicles, from Nashua, N.H., to Barberton, Ohio, for 180 days.

SUPPORTING SHIPPER: Hampshire Chemicals, Div. W. R. Grace & Co., Poisson Ave., Nashua, N.H. 03060. SEND PROTESTS TO: Darrell W. Hammons, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 150 Causeway Street, 5th Floor, Boston, Mass. 02114.

No. MC 116045 (Sub-No. 38 TA) filed July 30, 1973 Applicant: NEUMAN TRANSIT CO., INC. P.O. Box 38 East of Rawlins, Wyo. 82301 Applicant's representative: Leslie R. Kehl Suite 1600 Denver, Colo. 80203 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid sulphur*, in bulk, in tank vehicles, from the plantsite of Farmers Union Central Exchange, Laurel, Mont., to the plantsite of Western Nuclear, Inc., located off Wyoming Highway 789 approximately 3 miles southwest of Riverton, Wyo., for 180 days. SUPPORTING SHIPPER: Western Nuclear, Inc., Suite 387—One Park Central, Denver, Colo. 80202. SEND PROTESTS TO: District Supervisor Paul A. Naughton, Bureau of Operations, Interstate Commerce Commission, Rm. 1006 Federal Bldg. & Post Office, 100 East "B" Street, Casper, Wyo. 82601.

No. MC 117119 (Sub-No. 480 TA) filed July 30, 1973 Applicant: WILLIS SHAW FROZEN EXPRESS, INC. P.O. Box 188 Elm Springs, Ark. 72728 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Cooked bakery goods*, not frozen, in cans, in cartons, from Little Rock, Ark., to points in Alabama, Arizona, California, Colorado, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Mississippi, Nebraska, New Mexico, North Carolina, Oklahoma, Ohio, Tennessee, Texas and Virginia, for 180 days. SUPPORTING SHIPPER: Merico, Inc., 4200 Hoerner, Little Rock, Ark. 72205. SEND PROTESTS TO: District Supervisor William H. Land, Jr., Bureau of Operations, Interstate Commerce Commission, 2519 Federal Office Building, 700 West Capitol, Little Rock, Ark. 72201.

No. MC 118838 (Sub-No. 13 TA) filed July 20, 1973 Applicant: GABOR TRUCKING, INC. P.O. Box 646 RR2 Detroit Lakes, Minn. 56501 Applicant's representative: Richard P. Anderson 502 First National Bank Bldg. Fargo, N. Dak. 58102 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal and poultry feed* (except liquid commodities in bulk), from Rochelle, Ill., to ports of entry on the International Boundary line, between the United States and Canada located in Minnesota, North Dakota and Montana, for 180 days. SUPPORTING SHIPPER: Wilbur-Ellis Co. of Canada Ltd., 307-540 Burrard Street, Vancouver 1, British Columbia, Canada. SEND PROTESTS TO: J. H. Ambs, District Supervisor, Bureau of Operations, Interstate Commerce Commission, P.O. Box 2340, Fargo, N. Dak. 58102.

No. MC 120648 (Sub-No. 2 TA) filed July 6, 1973 Applicant: SUTHERLAND TRANSPORTATION CORP. 100 Allwood Ave. Central Islip, N.Y. 11722 Applicant's representative: John P. Tynan 65-12 69th Place Middle Village, N.Y. 11379 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, (except classes A and B explosives, articles of unusual value, commodities in bulk and those requiring special equipment), between New York, N.Y. and the terminal facilities of Acme Fast Freight, Inc., North Bergen, N.J.; P. Callahan, Inc., Jersey City, N.J.; Eastern Freightways, Inc., Carlstadt, N.J.; and Lansdale Transportation Co., Inc.; Carlstadt, N.J., for interchange of Freight Traffic only, for 180 days. Note: Applicant intends to tack with MC 1260648 (Sub-No. 1) at New York City; and at the terminal points sought. SUPPORTING SHIPPERS: (1) Lansdale Transportation Co., Inc., P.O. Box 392, Lansdale, Pa. 19446; (2) Eastern Freight Ways, Inc., Eastern and Moonarchie Ave., Carlstadt, N.J. 07072; (3) Acme Fast Freight, Inc., 2115 69th St., North Bergen, N.J. 07047; and (4) P. Callahan, Inc., 160 Duffield Ave., Jersey City, N.J. 07305. SEND PROTESTS TO: Anthony D. Giaino, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 26 Federal Plaza, New York, N.Y.

No. MC 128527 (Sub-No. 41 TA) filed July 30, 1973 Applicant: MAY TRUCKING COMPANY P.O. Box 398 Payette, Idaho 83661 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts and articles distributed by meat packinghouses* as described in Sections A and C of Appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 MCC 209 and 766, from the facilities of Missouri Beef Packers, Inc. at or near Boise, Idaho, to points in California, Oregon, Washington, Idaho and Nevada, for 180 days. Note: Applicant does not intend to tack authority or interline with any other carrier. SUPPORTING SHIPPER: Missouri Beef Packers, Inc., 630 Amarillo Bldg., Amarillo, Tex. 79101. SEND PROTESTS TO: C. W. Campbell, Interstate Commerce Commission, Bureau of Operations, 550 West Fort, Box 07, Boise, Idaho 83724.

No. MC 128698 (Sub-No. 6 TA) filed July 20, 1973. Applicant: ERDNER BROS., INC. Fow & Leahy Sts. Swedesboro, N.J. 08085 Applicant's representative: Chester A. Zyblut 1522 K Street, N.W. Washington, D.C. 20005 Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *foodstuffs*, from the storage facilities of Heinz U.S.A. at Woodstown, N.J. (Salem County), to the facilities of Heinz at Salem and Harrison, N.J.; Chambersburg, Mechanicsburg, Pittsburgh and Leetsdale, Pa., for 180 days. SUPPORTING SHIPPER: Heinz U.S.A., Division of H. J. Heinz Company, P.O. Box 57, Pittsburgh, Pa.

15230. SEND PROTESTS TO: Richard M. Regan, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 428 East State Street, Room 204, Trenton, N.J. 08608.

No. MC 128775 (Sub-No. 2 TA) filed July 20, 1973 Applicant: SCARLET TRUCK SERVICE, INC. 5141 Dillman Road P.O. Box 15375 West Palm Beach, Fla. 33406 Applicant's representative: F. John Rathbun (same address as above) Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Junk and all scrap metals*, from points in Dade County, to points in Broward County, for 180 days. SUPPORTING SHIPPER: Scrap Metal Processing Corp., Post Office Box 243, Opa Locka, Fla. 33054. SEND PROTESTS TO: District Supervisor Joseph B. Teichert, 5720 S.W. 17th St., Room 105, Interstate Commerce Commission, Bureau of Operations, Miami, Fla. 33155.

No. MC 133145 (Sub-No. 1 TA) filed July 20, 1973 Applicant: THE PORTANOVA TRUCKING CO., INC. 114 Teller Road Trumbull, Conn. 06611 Applicant's representative: William J. Meuser 86 Cherry Street P.O. Box 507 Milford, Conn. 06460 Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: *Lumber and building materials*, restricted to the transportation of traffic having a prior movement by rail, from Waterbury, Conn., to Somers, N.Y. with no return for compensation, from Waterbury, Conn. over Interstate Route 84, to Brewster, N.Y., then south on U.S. Route 202 to Somers, N.Y. serving no intermediate points, for 180 days. SUPPORTING SHIPPER: Heritage Village, Inc., Hillhouse Road, Southbury, Conn. 06488. SEND PROTESTS TO: David J. Kieran, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 324 U.S. Post Office Building, 135 High St., Hartford, Conn. 06101.

No. MC 134599 (Sub-No. 85 TA) filed July 27, 1973 Applicant: INTERSTATE CONTRACT CARRIER CORPORATION Mail: P.O. Box 748 (Box zip 84110) Off: 265 W. 2700 South Salt Lake City, Utah 84115 Applicant's representative: Richard A. Peterson P.O. Box 81849 Lincoln, Nebr. 68501 Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: *Magnetic recording tape*, in cassettes or on reels, from City of Industry, Calif., to points in the United States (except Alaska, Hawaii, California, Montana and Wyoming), under continuing contract with Mattel, Inc., for 180 days. SUPPORTING SHIPPER: Mattel, Inc., 5150 Rosecrans Avenue, Hawthorne, Calif. 90250 (Jones K. Christensen, Manager of Traffic). SEND PROTESTS TO: District Supervisor Lyle D. Helfer, Interstate Commerce Commission, Bureau of Operations, 5239 Federal Building, 125 South State Street, Salt Lake City, Utah 84138.

No. MC 135633 (Sub-No. 7 TA) filed July 27, 1973 Applicant: NATIONWIDE

AUTO TRANSPORTERS, INC. 2175 Lemoine Avenue Ft. Lee, N.J. 07024 Applicant's representative: Harold G. Hernly 118 North St. Asaph Street Alexandria, Va. 22314 Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Motor homes*, in driveway service, from Bremen, Ind.; Van Alstyne, Tex.; Thomasville, Ga.; Canastota, N.Y.; Imlay City, Mich.; Elkhart, Ind.; Payette, Idaho; Lindsay, Calif.; Brigham City, Utah; and Ellaville, Ga., to points in the United States, for 180 days. SUPPORTING SHIPPER: Champlon Home Builders Co., 5573 North St., Dryden, Mich. 48428. SEND PROTESTS TO: District Supervisor Joel Morrrows, Interstate Commerce Commission, Bureau of Operations, 9 Clinton St., Newark, N.J. 07102.

No. MC 136343 (Sub-No. 16 TA) filed July 25, 1973 Applicant: MILTON TRANSPORTATION, INC., RD 1, Box 207 Milton, Pa. 17847 Applicant's representative: George A. Olsen 69 Tonnele Avenue Jersey City, N.J. 07306. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Spheres, highway marking strip glass*, from the facilities of Potters Industries, Inc., Apex, N.C., to points in Delaware, Rhode Island, Connecticut, Massachusetts, New Hampshire, Vermont and Maine, for 180 days. SUPPORTING SHIPPER: Potters Industries, Inc., 600 Industrial Road, Carlstadt, N.J. 07072. SEND PROTESTS TO: Robert W. Ritenour, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 508 Federal Bldg., 228 Walnut Street, P.O. Box 869, Harrisburg, Pa. 17108.

No. MC 138395 (Sub-No. 3 TA) filed July 30, 1973 Applicant: DOUGLAS H. WEST, P.O. Box 1274, Salisbury, Md. 21801 Applicant's representative: Charles E. Creager Suite 523 816 Easley Street Silver Spring, Md. 20910 Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Metals for recycling purposes*, from Salisbury, Md., to Roebing, Florence, Bridgeton and Newark, N.J., for 180 days. SUPPORTING SHIPPER: H. D. Metal Company, Inc., Boundary Street, Salisbury, Md. 21801. SEND PROTESTS TO: Robert D. Caldwell, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 12th Street & Constitution Avenue, N.W., Washington, D.C. 20423.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

[FR Doc.73-16742 Filed 8-10-73; 8:45 am]

[Suspension Docket No. 8664 Sub Nos. 4 and 5]

STABILIZATION OF RATES AND CHARGES, JUNE 1973

AUGUST 8, 1973.

Order. At a general session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 8th day of August 1973.

It appearing, that solely pursuant to the provisions of Executive Order No. 11730 (38 F.R. 19345) dated June 13, 1973, the Interstate Commerce Commission, by its orders entered June 15, 1973 and July 13, 1973, suspended, for an indefinite period pending further order of the Commission, the operation of schedules setting forth new increased rates, fares and charges and new rules, regulations and practices having the effect of increasing rates, fares and charges applicable to movements in interstate and foreign commerce, which had been filed to become effective during the period June 14, 1973 through August 12, 1973;

And it further appearing, that Executive Order No. 11730, provided for the freezing of prices for a maximum period of 60 days from the date of said order, which period will expire at 11:59 p.m., August 12, 1973, and that under proposed Phase IV regulations issued by the Cost of Living Council rate increases for commodities or services provided by a public utility are exempt.

It is ordered, That the orders entered June 15, 1973 and July 13, 1973, insofar as they suspended the operation of the said schedules be, and they are hereby, vacated and set aside effective August 13, 1973;

It is further ordered, That respondents herein be, and they are hereby, authorized to file with the Commission, upon not less than one day's notice, supplements to the said schedules announcing the vacation of the Commission's orders and directing that the said schedules shall become effective, specifying the date thereof but not earlier than August 13, 1973;

And it is further ordered, That a copy of this order be posted in the Office of the Secretary and in the Section of Tariffs of the Interstate Commerce Commission and that a copy be delivered to the Director, Division of Federal Register, for publication in the FEDERAL REGISTER.

By the Commission.

[SEAL] ROBERT L. OSWALD,
Secretary.

POLICY STATEMENT

Phase IV of the President's Economic Stabilization Program is scheduled to go into effect on August 13, 1973. Pursuant to new section 150.56 (6 C.F.R. 150.56) rate increases for commodities or services provided by public utilities, defined as including carriers regulated by the Interstate Commerce Commission, are exempt from direct Phase IV controls. However, this Commission is charged with the duty of insuring that rate increases are non-inflationary and otherwise in conformity with the goals of the Economic Stabilization Program. To carry out this program, the Commission is requiring proponents in general increase proceedings to comply with existing Ex Parte No. 280 regulations (49 C.F.R. 1311.5). In addition, in all other proposals where increases will result, we will expect that the proponent or proponents of the increases will have taken into account the goals of the Economic Stabilization Program and that any resulting increases will not be inflationary.

[FR Doc.73-16741 Filed 8-10-73; 8:45 am]

[Notice No. 333]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

Synopses of orders entered by the Motor Carrier Board of the Commission pursuant to sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 C.F.R. Part 1132), appear below:

Each application (except as otherwise specifically noted) filed after March 27, 1972, contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application. As provided in the Commission's Special Rules of Practice any interested person may file a petition seeking reconsideration of the following numbered proceedings on or before September 3, 1973. 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-74471. By supplemental order of the Motor Carrier Board approved for inclusion in the subject proceeding, the transfer to Wayne Daniel Truck, Inc., Mount Vernon, Mo., of Certificate No. MC-133591 (Sub-No. 3), and Permit No. MC-134494 (Sub-No. 5) issued March 14, 1973, and July 30, 1973, respectively, to Wayne Daniel, doing business as Wayne Daniel Truck, Mount Vernon, Mo., authorizing the transportation of toys and games, except sandboxes, blackboards, and chalkboards, from Booneville, Ark., to points in California, Oregon, Washington, Idaho, Utah, Colorado, Arizona, New Mexico, and Nevada, and confectioneries, from the plant sites of Sunline, Inc., located at or near St. Louis, Mo., to points in Utah and Colorado, limited to a transportation service to be performed under a contract with Sunline, Inc. Dual operations were authorized. Frederick J. Coffman, 521 South 14th Street, P.O. Box 80806, Lincoln, Nebr. 68501 Attorney for applicants.

No. MC-FC-74481. By order of August 7, 1973, the Motor Carrier Board approved the transfer to Westchester and New Jersey Transportation Co., Inc., Matawan, N.J., of Certificate No. MC-93147 issued to Lecon Trans., Inc., Brooklyn, N.Y., authorizing the transportation of: General commodities, usual exceptions, between Newark, N.J., and specified points in Westchester County, N.Y. A David Millner, Attorney, 744 Broad Street, Newark, N.J. 07102.

No. MC-FC-74486. By order of August 7, 1973, the Motor Carrier Board approved the transfer to Inland Empire Transport, Inc., Anaheim, Calif., of a portion of Certificate No. MC 41098 (Sub No. 36) issued to Global Van Lines, Inc., Anaheim, Calif., authorizing the transportation of: General commodities, usual exceptions, and certain specified com-

modities, between points and areas in Washington, Montana, Idaho, Nebraska, Colorado, Wyoming and South Dakota. Alan F. Wohlstetter, Attorney, 1700 K St., N.W., Wash., D.C. 20006.

No. MC-FC-74493. By order of August 7, 1973, the Motor Carrier Board approved the transfer to Ivan Lindekugel, doing business as Highline Transfer, 805 Phillip, North Platte, Nebr., of Certificate No. MC-120162 (Sub-No. 1), issued to Fred M. Gorder, dba Highline Transfer, 1314 West A Street, North Platte, Nebr., authorizing the transportation of: General commodities, usual exceptions, between specified points and areas in Nebraska.

[SEAL]

ROBERT L. OSWALD,
Secretary.

[FR Doc. 73-16739 Filed 8-10-73; 8:45 am]

COST OF LIVING COUNCIL

[Order No. 37]

SECRETARY OF THE TREASURY**Delegation of Authority**

Pursuant to the authority delegated to me as Chairman of the Cost of Living Council by Executive Order 11695, as continued by Executive Order 11730, it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury authority to perform the following price stabilization functions except as provided in paragraph 2 of this order.

(a) Operate and maintain local service and compliance centers, especially in key district centers, in support of the Economic Stabilization Program as it pertains to price stabilization matters.

(b) Receive and process price stabilization forms, reports, applications, requests, and other information required to be submitted pursuant to the price stabilization regulations in Title 6, Code of Federal Regulations, or any order issued thereunder.

(c) Make decisions and issue orders with respect to notices of proposed price increases filed pursuant to Part 150 of Title 6, Code of Federal Regulations except:

(1) Those involving a prenotified price increase on a product, product line, service, or service line of \$10 million or more;

(2) Those involving a prenotified price increase on a product, product line, service or service line of \$5 million or more and an increase of 5 percent or more in a firm's annual sales or revenues over its sales or revenues for the most recently completed fiscal year; and

(3) Such other prenotified price increases as the Director of the Cost of Living Council or his delegate may direct.

(d) Make decisions and issue orders with respect to all special filings submitted pursuant to Part 150 of Title 6, Code of Federal Regulations (except as the Director of the Cost of Living Council or his delegate may direct) including—

(1) Applications for modification of prenotification requirements [6 CFR 150.151(b)(2)(iv)(A)];

(2) Applications for volatile pricing authority [6 CFR 150.156];

(3) Reports supporting loss or low profit firm pricing [6 CFR 150.201]; and

(4) Merchandise pricing plans [6 CFR Subpart K of Part 150].

(e) Make decisions and issue orders with respect to individual requests for exceptions (other than class exceptions and such individual requests as the Director of the Cost of Living Council or his delegate may direct) from the price stabilization regulations in Title 6, Code of Federal Regulations, or any order issued thereunder.

(f) Monitor submissions of periodic and one-time reports required to be submitted pursuant to Part 150 of Title 6, Code of Federal Regulations to ensure completeness and accuracy and to determine compliance with relevant price stabilization regulations and orders.

(g) Conduct investigations to determine compliance with the price stabilization regulations in Title 6, Code of Federal Regulations and the orders issued thereunder.

(h) Sign and issue subpoenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths, all in accordance with Section 206 of the Economic Stabilization Act of 1970, as amended, with respect to functions delegated by this order and, subject to the concurrence of the General Counsel of the Cost of Living Council, seek judicial enforcement of those subpoenas.

(i) Notify persons of probable violations of the price stabilization regulations and orders, issue remedial orders, monitor remedial activities, and approve compliance actions with respect thereto.

(j) Compromise and collect civil penalties for violations of price stabilization regulations and orders by price category III firms and for late filings of required price stabilization reports by price category I and price category II firms.

(k) Subject to the guidance of the General Counsel of the Cost of Living Council, issue to individuals and individual firms interpretations of the price stabilization regulations in Part 150 of Title 6, Code of Federal Regulations.

(l) Make decisions and issue orders with respect to requests for reconsideration of initial decisions made and orders issued pursuant to the authority delegated by subparagraph (c) of this paragraph, with respect to prenotified price increases on a product, product line, service, or service line of less than \$3 million.

(m) Make decisions and issue orders with respect to requests for reconsideration of initial decisions made and orders issued pursuant to the authority delegated by subparagraphs (d), (e), (i) or (k) of this paragraph except in such cases as the Director of the Cost of Living Council or his delegate may otherwise direct.

(n) Maintain records and provide periodic reports to the Director of the Cost of Living Council concerning the

conduct of price stabilization activities performed pursuant to this order.

(o) Disseminate public information with respect to price stabilization matters and respond to requests for public disclosure of records relating to price stabilization in accordance with Part 102 of Title 6, Code of Federal Regulations.

2. The authority delegated by paragraph 1(a) through (f) and (i) through (o) of this order does not extend to institutional and non-institutional providers of health services who are subject

to Subpart O of Part 150 of Title 6, Code of Federal Regulations.

3. The Secretary may redelegate to the Commissioner of Internal Revenue and provide for further re delegation to any official of the Internal Revenue Service any authority under this order, and may utilize any service of any other agency, federal or state, as may be available and appropriate.

4. Officials exercising the authority delegated by this order or redelegated pursuant thereto shall be governed by

the regulations and rulings of the Cost of Living Council and by the policies, procedures, and controls prescribed by the Cost of Living Council.

5. This order is effective August 13, 1973.

Issued in Washington, D.C. on August 9, 1973.

GEORGE P. SHULTZ,
Chairman
Cost of Living Council.

[FR Doc.73-16875 Filed 8-10-73;11:57 am]

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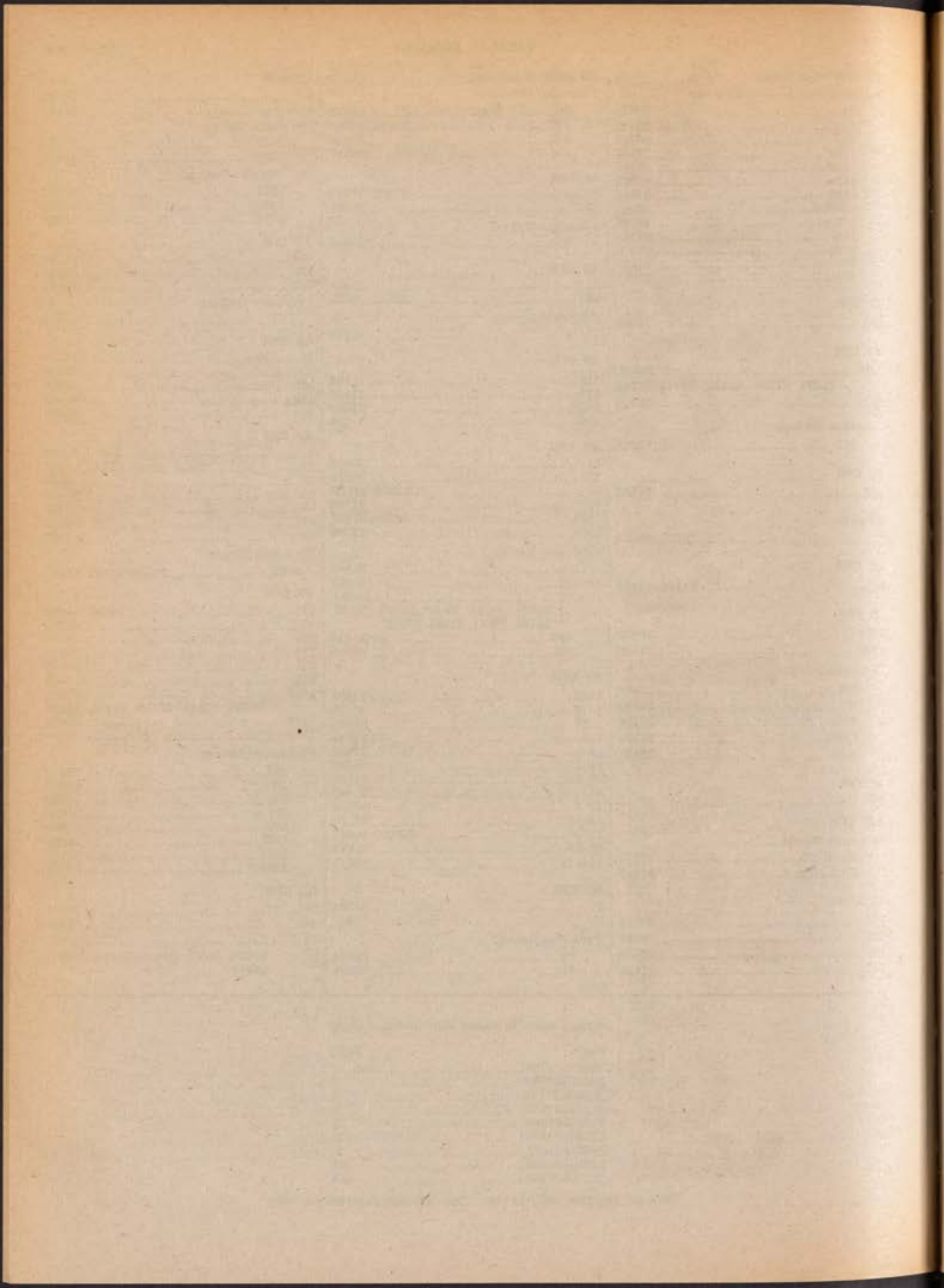
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PART II



COUNCIL ON ENVIRONMENTAL QUALITY

■

NATIONAL OIL AND HAZARDOUS SUBSTANCES POLLUTION CONTINGENCY PLAN

Title 40—Protection of Environment
CHAPTER V—COUNCIL ON ENVIRONMENTAL QUALITY
PART 1510—NATIONAL OIL AND HAZARDOUS SUBSTANCES POLLUTION CONTINGENCY PLAN

Pursuant to section 311(c) (2) of the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92-500) and section 4 of Executive Order 11735, August 2, 1973, the Council on Environmental Quality invites comments and suggestions from interested parties on or before September 27, 1973, with respect to the following revision of the National Oil and Hazardous Substances Pollution Contingency Plan. This Plan supersedes the one set forth in the FEDERAL REGISTER of August 20, 1971 (36 FR 16215), as amended on September 9, 1972 (37 FR 18411) and December 21, 1972 (37 FR 2808).

The new National Contingency Plan has been prepared in conjunction with the National Response Team (NRT) in light of both operating experience under the 1971 Plan and new requirements contained in Public Law 92-500. Its purpose is to provide for efficient, coordinated, and effective actions to minimize damage from oil and hazardous substance discharges. Pending designation of hazardous substances pursuant to section 311(b) (2) of Public Law 92-500, the NRT agencies will act pursuant to other operating authority to remove discharges of polluting substances when necessary to protect the public health or welfare.

Significant changes in the Plan, as compared with the 1971 version, include: (a) A requirement that removal efforts by private parties, in order to be considered proper under section 311(c) (1) of Public Law 92-500, must be fully sufficient to minimize or mitigate damage to the public health or welfare and must conform with applicable regulations and guidelines and Annex X and other provisions or restrictions of the Plan; (b) a requirement that, in circumstances not covered by regulations or the Regional Contingency Plan, the use of chemicals to remove discharges must be authorized by the EPA representative or alternate representative on the Regional Response Team; (c) a determination that, because of the overriding need for prompt initiation of discharge removal actions, no formal permit under section 402 of Public Law 92-500 shall be required before application of chemicals to remove a discharge, if such application is in accordance with the Plan; and (d) provision for States to designate liaisons to Regional Response Teams, to act where necessary to remove discharges, and to be reimbursed from the Federal Pollution Revolving Fund for reasonable costs incurred in such removal.

Annex X of the Plan was prepared by the Environmental Protection Agency pursuant to section 1(2) of Executive Order 11735.

The Plan is hereby codified as Part 1510 in Chapter V of Title 40 of the Code of Federal Regulations. Comments as requested above will be considered and may

be addressed to the General Counsel, Council on Environmental Quality, 722 Jackson Place, NW., Washington, D.C. 20006. In order that the Plan may be immediately utilized to protect the public health and welfare, it is made effective August 13, 1973.

RUSSELL E. TRAIN,
 Chairman.

This National Contingency Plan, prepared at the direction of the 92nd Congress and PL 92-500, provides a mechanism for coordinating the response to discharges of oil and hazardous substances.

AUGUST 1973.

This Plan supersedes the National Oil and Hazardous Substances Pollution Contingency Plan—August 1971

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Authority: Sec. 311(c) (2), Public Law 92-500, 86 Stat. 865, 33 U.S.C. 1251, et seq.

Subpart A—Introduction

§ 1510.1 Authority.

This National Oil and Hazardous Substances Pollution Contingency Plan¹ has

¹ This Plan supersedes the August 1971 edition.

been developed in compliance with the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1251, et seq.). The President delegated authority and responsibility to the Council on Environmental Quality to carry out subsection (c) (2) of section 311 of the Act, providing for the preparation, publication, revision and amendment of a National Contingency Plan for the removal of oil and hazardous substances.

§ 1510.2 Purpose of objectives.

(a) This Plan, including the Annexes, provides for a pattern of coordinated and integrated response by Departments and Agencies of the Federal Government to protect the environment from the damaging effects of pollution discharges. It promotes the coordination and direction of Federal and State response systems and encourages the development of local government and private capabilities to handle such discharges.

(b) The objectives of this Plan are to provide for efficient, coordinated and effective action to minimize damage from oil and hazardous substance discharges, including containment, dispersal and removal. The Plan, including the Annexes and regional plans, provides for: (1) Assignment of duties and responsibility among Federal departments and agencies in coordination with State and local agencies; (2) identification, procurement, maintenance, and storage of equipment and supplies; (3) establishment or designation of a strike force to provide necessary services to carry out the Plan and establishment, at major ports, of trained and equipped emergency task forces; (4) a system of surveillance and reporting designed to insure the earliest possible notice of discharges of oil and hazardous substances to appropriate Federal agency; (5) establishment of a national center to provide coordination and direction for operations in carrying out the Plan; (6) procedures and techniques to be employed in identifying, containing, dispersing, and removing oil and hazardous substances; (7) a schedule, prepared in cooperation with the States, identifying dispersants and other chemicals, if any, that may be used in carrying out the Plan; and (8) a system whereby the State or States effected by a discharge may be reimbursed for reasonable costs incurred in the removal of such discharge.

§ 1510.3 Scope.

(a) This Plan is effective for all United States waters and shorelines, the contiguous zone and the high seas, where there exists a threat to United States waters, shoreface, or shelf-bottom.

(b) The provisions of this Plan are applicable to all Federal Agencies. Implementation of this Plan is compatible with and complementary to the joint U.S./Canadian Contingency Plan including the annexes pertaining to the Great Lakes, Eastern and Western coastal areas; International assistance plans and agreements, security regulations, and responsibilities based upon Federal statutes and Executive Orders.

§ 1510.4 Abbreviations.

(a) Department and Agency title abbreviations.

AEC—Atomic Energy Commission
 CEQ—Council on Environmental Quality
 Commerce—Department of Commerce
 Corps—U.S. Army Corps of Engineers
 DHEW—Department of Health, Education and Welfare
 DOD—Department of Defense
 DOI—Department of Interior
 DOT—Department of Transportation
 EPA—Environmental Protection Agency
 Justice—Department of Justice
 MarAd—Maritime Administration
 NOAA—National Oceanic and Atmospheric Administration
 OEP—Office of Emergency Preparedness
 State—Department of State
 USCG—U.S. Coast Guard
 USGS—U.S. Geological Survey
 USN—U.S. Navy

(b) Operational title abbreviations.

NRC—National Response Center
 NRT—National Response Team
 OSC—On-Scene Coordinator
 RRC—Regional Response Center
 RRT—Regional Response Team

§ 1510.5 Definitions (within the meaning of this Plan).

(a) Act—means the Federal Water Pollution Control Act, PL 92-500 (86 Stat. 816).

(b) Discharge—includes but is not limited to any spilling, leaking, pumping, pouring, emitting, emptying or dumping. (For the purposes of this Plan, discharges permitted pursuant to sections 301, 302, 306, 318, 403 or 404 of the Act or section 102 of PL 92-532 are not included.)

(c) On-Scene Coordinator (O.S.C.)—means the Federal official pre-designated by the EPA or the USCG to coordinate and direct Federal discharge removal efforts under Regional Contingency Plans at the scene of an oil or hazardous substance discharge.

(d) United States—means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(e) Coastal waters—generally are those U.S. waters navigable by deep draft vessels, the contiguous zone, the high seas and other waters subject to tidal influence.

(f) Inland waters—generally are those waters upstream from coastal waters (paragraph (e) of this section).

(g) Contiguous Zone—means the entire zone established by the United States under Article 24 of the Convention on the Territorial Sea and the Contiguous Zone. This is the zone contiguous to the territorial sea which extends 12 miles seaward from the baseline from which the territorial sea is measured.

(h) Public health or welfare—includes consideration of all factors affecting the health and welfare of man, including but not limited to human health, the natural environment, fish, shellfish, wildlife, and public and private property, shorelines and beaches.

(i) Major Disaster—means any hurricane, tornado, storm, flood, high water,

wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States which, in the determination of the President, is or threatens to become of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States and local governments and relief organizations in alleviating the damage, loss, hardship or suffering caused thereby.

(j) Oil—means oil of any kind or in any form, including but not limited to, petroleum, fuel oil, sludge, oil refuse and oil mixed with wastes other than dredged spoil.

(k) Hazardous substance—means any substance designated pursuant to subsection (b) (2) of section 311 of the Act.

(l) Minor discharge—is a discharge, in the inland waters of less than 1,000 gallons of oil; and in the coastal waters, a discharge of less than 10,000 gallons of oil. Discharges of hazardous substances, to be designated by regulations, shall be classified as medium or major pursuant to paragraphs (m) and (n) of this section. (Discharges of oil or hazardous substances that: (1) Generate critical public concern; or (2) pose a substantial threat to the public health or welfare shall be classified as "major" discharges.)

(m) Medium discharge—is a discharge of 1,000 to 10,000 gallons of oil in the inland waters; or 10,000 to 100,000 gallons of oil in the coastal waters; or a discharge of a hazardous substance in a harmful quantity as specified by regulation. (Discharges of oil or hazardous substances that: (1) Generate critical public concern; or (2) pose a substantial threat to the public health or welfare shall be classified as "major" discharges.)

(n) Major discharge—is a discharge of oil of more than 10,000 gallons to the inland waters or more than 100,000 gallons of oil of more than 10,000 gallons to the coastal waters or a discharge of a hazardous substance that (1) generates critical public concern; or (2) poses a substantial threat to the public health or welfare.

(o) Potential discharge—is any accident or other circumstance which threatens to result in the discharge of oil or hazardous substance. A potential discharge shall be classified by its severity based on the guidelines above.

(p) Primary Agencies—are those Departments or Agencies comprising the NRT and designated to have primary responsibility and resources to promote effective operation of this Plan. These agencies are: Commerce, DOD, DOI, DOT, and EPA.

(q) Advisory Agencies—are those Departments or Agencies which can make major contributions during response activities for certain types of discharges. These Agencies are: AEC, DHEW, Justice, OEP and State.

(r) Remove or Removal—is the removal of oil or hazardous substance from the water and shorelines or the taking of such other actions as may be necessary to minimize or mitigate damage to the public health or welfare. For pur-

poses of this Plan, removal refers to Phase III and IV response operations.

Subpart B—Policy and Responsibility

§ 1510.21 Federal policy.

(a) The Congress has declared that it is the policy of the United States that there should be no discharge of oil or hazardous substance into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone (section 311(b) (1) of the Act).

(b) The primary thrust of this Plan is to provide a coordinated Federal response capability at the scene of an unplanned or sudden, and usually accidental, discharge of oil or hazardous substances in excess of that otherwise permitted by law. Initial actions of the Federal OSC, designated pursuant to § 1510.36(b) of this Plan and the appropriate regional contingency plan, shall be to determine, in accordance with section 311(c) (1) of the Act, if the actions taken by the person responsible for the discharge of oil or hazardous substance are proper to remove the discharge. The OSC should, if practicable, insure that the person responsible for the discharge is aware of his responsibility and is encouraged to undertake necessary countermeasures. In the event that the person responsible for the discharge does not act promptly, does not take or propose to take proper and appropriate actions to remove the discharged pollutants, or if the person responsible for the discharge is unknown, further Federal response actions shall be instituted as required in accordance with this Plan. When the person responsible for the discharge is taking proper action, the OSC shall observe and monitor progress, and provide advice, counsel, and logistical support as may be necessary.

(c) Removal actions taken pursuant to section 311(c) (1) of the act are limited to the navigable waters of the United States, adjoining shorelines and the waters of the contiguous zone. Removal actions within the Contiguous zone are limited and do not include those covered by the Outer Continental Shelf Lands Act. When a discharge or potential discharge that poses a threat to the waters of the U.S. occurs outside the jurisdiction under section 311(c) of the Act, the procedures of this plan apply to the extent practicable and removal action will be accomplished pursuant to other Agency authorities. Removal actions for non-vessel discharges on the outer continental shelf, shall be in accordance with the August 1971 DOI/DOT Memorandum of Understanding.

(d) In accordance with section 311(d), whenever a marine disaster in or upon the navigable waters of the United States has created a substantial threat of pollution hazard to the public health or welfare, because of a discharge, or an imminent discharge, of large quantities of oil, or of a hazardous substance from a vessel, the United States may: (1) Coordinate and direct all public and private efforts directed at the removal or elimination of such threat; and (2)

summarily remove and, if necessary, destroy such vessel by whatever means are available without regard to any provisions of law governing the employment of personnel or the expenditure of appropriated funds. This authority has been delegated to the Administrator of EPA and the Secretary of the Department in which the Coast Guard is operating, respectively, in and for the waters for which each has responsibility to furnish or provide the OSC under this Plan.

(e) In addition to any other actions taken by a State or local government, when the Administrator of EPA or the Secretary of the Department in which the Coast Guard is operating determines there is an imminent and substantial threat to the public health and welfare because of an actual or threatened discharge of oil or hazardous substance into or upon the waters of the United States from any onshore or offshore facility, he may require, through the Attorney General, that the U.S. Attorney of the district in which the threat occurs secure such relief as may be necessary to abate such threat. This authority could be exercised on request of the NRT.

(f) The Federal agencies possessing facilities or other resources which may be useful in a Federal response situation will make such facilities or resources available for use in accordance with this Plan, as supplemented by the regional plans, and as consistent with operational requirements, within the limits of existing statutory authority, and within the spirit of the President's intention to minimize discharges and their effects when they do occur.

(g) Environmental pollution control techniques shall be employed in accordance with applicable regulations and guidelines, and regional contingency plans. In any circumstances not covered by regulations or regional contingency plans, the use of chemicals shall be in accordance with Annex X and must have the concurrence of the EPA representative or alternate representative on the RRT; or in his absence the concurrence of the appropriate EPA Regional Administrator.

(h) Response operations carried out to remove discharges originating from Outer Continental Shelf Lands Act operations shall be in accordance with the August 1971 Memorandum of Understanding between DOI and DOT concerning respective responsibilities under this Plan.

§ 1510.22 Federal responsibility.

(a) Each of the Primary and Advisory Federal Agencies has responsibilities established by statute, Executive Order or Presidential Directive which may bear on the Federal response to a pollution discharge. This Plan intends to promote the expeditious and harmonious discharge of these responsibilities through the recognition of authority for action by those Agencies having the most appropriate capability to act in each specific situation. Responsibilities and authorities of these several agencies relevant to the control of pollution discharges are detailed in Annex VII to this

part. In the development of the regional plans, provision shall be made to assure recognition of the statutory responsibilities of all involved Agencies.

(b) The Council on Environmental Quality is responsible for the preparation, publication, revision and amendment of this National Contingency Plan. The Council will receive the advice of the NRT on necessary changes to the Plan and shall insure that any disagreements arising among members of the NRT are expeditiously settled.

(c) The Department of Commerce, through NOAA, provides support to the NRT, RRT and OSC with respect to: Marine environmental data; living marine resources; current and predicted meteorological, hydrologic and oceanographic conditions for the high seas, coastal and inland waters; and maps and charts, including tides and currents for coastal and territorial waters and the Great Lakes. When requested by NRT, MARAD will provide advice on the design, construction and operation of merchant ships.

(d) The Department of Defense, consistent with its operational requirements, may provide assistance in critical pollution discharges and in the maintenance of navigation channels, salvage, and removal of navigation obstructions.

(e) The Department of Health, Education, and Welfare is responsible for providing expert advice and assistance relative to those discharges or potential discharges that constitute or may constitute a threat to public health and safety.

(f) The Department of Interior, through the USGS, supplies expertise in the fields of oil drilling, producing, handling, and pipeline transportation. Also, the USGS has access to and supervision over continuously manned facilities which can be used for command, control and surveillance of discharges occurring from operations conducted under the Outer Continental Shelf Lands Act. Additionally, the Department of Interior will provide, through its Regional Coordinators, technical expertise to the OSC and RRT with respect to land, fish and wildlife, and other resources for which it is responsible. DOI is also responsible for American Samoa and the Trust Territory.

(g) The Department of Justice can supply expert legal advice to deal with complicated judicial questions arising from discharges and Federal agency responses.

(h) The Department of Transportation provides expertise regarding all modes of transporting oil and hazardous substances. Through the USCG, DOT supplies support and expertise in the domestic/international fields of port safety and security, marine law enforcement, navigation, and construction; manning, operation, and safety of vessels and marine facilities. Additionally, the Coast Guard maintains continuously manned facilities that are capable of command, control, and surveillance for oil discharges occurring on the waters of the United States or the high seas. The USCG is responsible for chairing the RRT and for implementing, developing

and revising, as necessary, the regional plans for those areas where it is assigned the responsibility to furnish or provide for OSC's (§ 1510.36(b)).

(i) The Department of State will provide leadership in developing joint international contingency plans. It will also provide assistance in coordination when a pollution discharge transects international boundaries or involves foreign flag vessels.

(j) The Atomic Energy Commission is the designated Agency for administration, implementation and coordination of the Interagency Radiological Assistance Plan (IRAP). AEC will provide advice and assistance to the NRT with respect to the identification of the source and extent of radioactive contamination, and removal and disposal of radioactive discharges.

(k) The Environmental Protection Agency, through the Office of Air and Water Programs, provides expertise regarding environmental effects of pollution discharges and environmental pollution control techniques, including assessment of damages. EPA shall also advise the RRT and OSC of the degree of hazard a particular discharge poses to the public health and safety. EPA is responsible for chairing the RRT and for development, revision and implementation, as necessary, of regional plans for those areas in which it has responsibility to furnish or provide for the OSC (§ 1510.36(b)). EPA will provide guidance to and coordinate with DOT regarding pollution control and protection of the environment in the preparation of regional plans.

(l) The Office of Emergency Preparedness will maintain an awareness of pollution emergencies as they develop. The normal OEP procedures will be followed to evaluate any request for a major disaster declaration received from a Governor of a State. If the President declares that a pollution discharge constitutes a "major disaster" under PL 91-606, or that a major disaster is imminent as defined by section 221, PL 91-606, the Director, OEP, will prepare coordination and direction of the Federal response in accordance with OEP policies and procedures.

(m) All Federal agencies are responsible for minimizing the occurrence of discharges and for developing the capability to respond promptly in cases of discharges from facilities they operate or supervise, and for making resources available for Federal pollution response operations.

(n) In addition to paragraph (m) of this section, Primary Agencies are responsible for:

(1) Leading all Federal agencies in programs to minimize the number of and environmental damage associated with discharges from facilities they operate or supervise;

(2) Providing representation to the NRT and the RRT's;

(3) Developing, within their operating elements, the capability for a rapid, coordinated response to any pollution discharge;

- (4) Making information available to the NRT, RRT or OSC as necessary; and
- (5) Keeping NRT and the RRT's informed, consistent with national security considerations, of changes in the availability of resources that would affect the operation of this Plan.

§ 1510.23 Non-Federal responsibility.

(a) The States are invited to provide liaison to RRT's and shall designate the appropriate element of the State government that would undertake direction of State supervised discharge removal operations. The designated agency shall be the single State governmental element that will seek reimbursement for removal operation expenditures in accordance with section 311(c)(2)(H) of the Act. Details on reimbursement to States for removal actions taken pursuant to this Plan are contained in Title 33 Part 153, CFR, and Annex IX—Funding.

(b) Industry groups, the academic community, and others are encouraged to commit resources for removal operations. Their specific commitments are outlined by the regional plans. Of particular relevance is the organization of a standby scientific response capability.

Subpart C—Planning and Response Organization

§ 1510.31 Emergency response activities and coordination.

(a) For pollution emergency response activities, Federal on-scene coordination is accomplished through the OSC. He reports to and receives advice from an RRT composed of appropriate representatives from the Regional and District offices of the Primary and Advisory Agencies.

(b) National level coordination is accomplished through the NRT which receives reports from and renders advice to the RRT. Activities are coordinated through the National and various regional response centers.

(c) The organizational concepts of this Plan are shown on Figure 1.

§ 1510.32 National response team.

(a) The NRT consists of representatives from the Primary and Advisory Agencies. It serves as the National body for planning and preparedness actions prior to a pollution discharge and for coordination and advice during a pollution emergency. It shall be organized and shall function as outlined in Annex II to this part.

(b) The NRT shall establish and maintain a Committee on Revision of the National Plan. This Committee shall provide suggested revisions to the NRT for consideration, approval and publication by CEQ. The Primary Agencies shall provide membership on this standing committee. Advisory Agencies shall participate whenever revision or proposed amendments would affect those Agencies. Ad hoc committees may also be established from time to time to consider various matters. Membership on these committees shall consist of the representatives from the Primary Agencies and such Advisory Agencies that may have direct involvement.

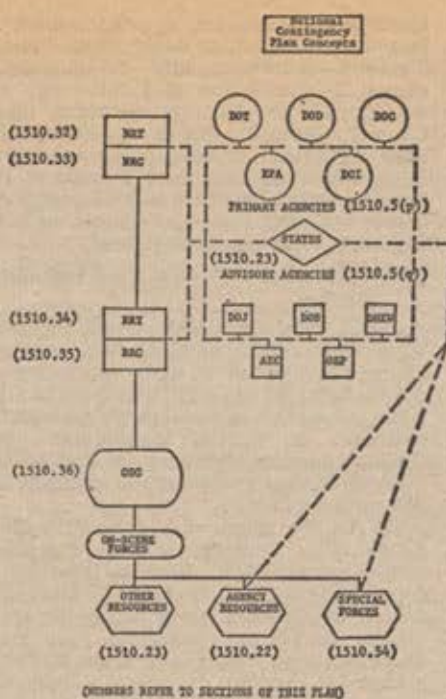


FIG. 1

(c) Based on a continuing evaluation of response actions, the NRT shall consider and make recommendations to appropriate agencies relating to training and equipping response team personnel; necessary research, development, demonstration and evaluation activities to improve response capabilities; and equipment, material stockpiling and other operational matters as the need arises. CEQ shall be advised of any agency's failure to adequately respond to these recommendations.

(d) During pollution emergencies, MRT shall act as an emergency response team comprised of representatives from the Primary and selected Advisory Agencies to be activated in accordance with section 1202.2, Annex II to this part.

§ 1510.33 National Response Center.

(a) The NRC, located at Headquarters, USCG, is the Washington, D.C. headquarters site for activities relative to pollution emergencies. NRC quarters are described in Annex III to this part, and provide communications, including a continuously manned communication center, information storage; and necessary personnel and facilities to promote the smooth and adequate functioning of this activity as described in Annex III to this part.

§ 1510.34 Regional Response Team.

(a) The RRT consists of regional representatives of the Primary and selected Advisory Agencies, as appropriate. RRT shall act within its region as an emergency response team performing response functions similar to those described for NRT. RRT will also perform review and advisory functions relative to the regional plan similar to those

prescribed for NRT at the National level. Additionally, the RRT shall determine the duration and extent of the Federal response, and when a shift of on-scene coordination from the predesignated OSC to another OSC is indicated by the circumstances or progress of a pollution discharge.

(b) Each Primary Agency shall designate one member and a minimum of one alternate member to the RRT. Each Advisory Agency may designate a member. Agencies may also provide additional representatives as observers to meetings of the RRT. Individuals representing the participating agencies may vary depending on the subregional area in which the discharge occurred or removal actions are underway. Details of such representation are specified in each regional contingency plan.

(c) Each of the States lying within a region is invited to furnish liaison to the RRT for planning and preparedness activities. When the Team is activated for a pollution emergency, the affected State or States are invited to participate in RRT deliberations.

(d) The RRT shall be activated automatically in the event of a major or potential major discharge. The RRT shall be activated during any other pollution emergency by an oral request from any Primary Agency representative to the Chairman of the team. Such requests for team activation shall be confirmed in writing. The time of team activation, place of assembly, and means of contact shall be included in POLREPS submitted in accordance with Annex V to this part.

(e) The Chairman may require assembly of all or selected members of the team at the emergency center during a pollution response operation to provide technical support and assistance to the OSC.

(f) Deactivation of RRT shall be by agreement between the EPA and USCG team members. The time of deactivation shall be included in POLREPS submitted in accordance with Annex V to this part.

(g) Boundaries of the Standard Federal Regions as shown in Annex IV to this part shall be followed for the development of Regional Contingency Plans.

§ 1510.35 Regional Response Center.

(a) The RRC is the regional site for pollution emergency response activities. It will be accommodated in quarters described in each regional plan and will provide communications, information storage and other necessary personnel and facilities to promote the proper functioning and administration of regional pollution emergency response operations.

§ 1510.36 On-Scene Coordination.

(a) Coordination and direction of Federal pollution control efforts at the scene of a discharge or potential discharge shall be accomplished through the OSC, predesignated by regional plan to coordinate and direct such pollution control activities in each area of the region.

(1) In the event of a discharge of oil or hazardous substance, the first official on the site from an agency having responsibility under this Plan shall assume

coordination of activities under the Plan until the arrival of the predesignated OSC.

(2) The OSC shall determine pertinent facts about a particular discharge, such as its potential impact on human health and welfare; the nature, amount, and location of material discharged; the probable direction and time of travel of the material; the resources and installations which may be affected and the priorities for protecting them.

(3) The OSC shall initiate and direct as required Phase II, Phase III and Phase IV operations. Advice provided by the EPA representative on the RRT on use of chemicals in Phase III and Phase IV operations in response to discharges of oil or hazardous substances shall be binding on the OSC, except as provided for by Annex X to this part.

(4) The OSC shall call upon and direct the deployment of needed resources in accordance with the regional plan to evaluate the magnitude of the discharge and to initiate and continue removal operations.

(5) The OSC shall provide necessary support activities and documentation for Phase V activities.

(6) In carrying out this Plan, the OSC will fully inform and coordinate closely with RRT to ensure the maximum effectiveness of the Federal effort in protecting the natural resources and the environment from pollution damage.

(b) EPA and the USCG shall insure that OSC's are predesignated for all areas within the region in accordance with the following criteria:

(1) The EPA shall furnish or provide for OSC's on inland waters.

(2) The USCG shall furnish or provide for OSC's for the coastal waters, and for Great Lakes waters, ports and harbors.

(3) The major consideration in selection of the OSC shall be based upon that Agency's capability and resources for pollution control response activities and the individual OSC's knowledge of the National Contingency Plan and the appropriate Regional Contingency Plan.

(c) All Federal agencies are required by executive order to develop emergency plans and procedures for dealing with accidental pollution. All Federal agencies, therefore, are responsible for designating the offices to coordinate response actions for facilities or vessels under their jurisdiction and for the provision of means to remove or mitigate the effects of discharges from their facilities. If the responsible Agency does not act promptly or take appropriate action, the EPA or USCG shall, depending on the area in which the discharge occurs, assume the OSC functions. Pollution control actions taken must be in accordance with Federal regulations and guidelines, EPA policies and this Plan.

Subpart D—Operational—Response Phases

§ 1510.40 Phase groupings.

The actions taken to respond to a pollution discharge can be separated into

five relatively distinct classes or phases. For descriptive purposes, these are: Phase I—Discovery and Notification; Phase II—Evaluation and Initiation of Action; Phase III—Containment and Countermeasures; Phase IV—Removal, Mitigation and Disposal; and Phase V—Documentation and Cost Recovery. It must be recognized that elements of any one phase may take place concurrently with one or more other phases.

§ 1510.41 Phase I—Discovery and notification.

(a) A discharge may be discovered when a report is received from a discharger in accordance with statutory requirements; through deliberate discovery procedures such as vessel patrols, aircraft searches, or similar procedures; or through random discovery by incidental observations of government agencies or the general public.

(b) In the event of a deliberate discovery, the discharge will be reported directly to the RRT. Reports from random discovery may be initially through fishing or pleasure boats, police departments, telephone operators, port authorities, news media, etc. Reports generated by random discovery should be reported to the nearest USCG or EPA office. Regional plans shall provide for such reports to be channeled to the RRT as promptly as possible to facilitate effective response action. Reports of major and medium discharges received by either EPA or USCG shall be expeditiously relayed by telephone to the other agency. Reports of minor discharges shall be exchanged between EPA and USCG as agreed to by the two agencies.

§ 1510.42 Phase II—Evaluation and initiation of action.

(a) The OSC shall insure that a report of a discharge is immediately investigated. Based on all available information, the OSC shall: (1) Evaluate the magnitude and severity of the discharge; (2) determine the feasibility of removal; and (3) assess the effectiveness of removal actions.

(b) The OSC shall, when appropriate and as soon as possible after receipt of a report, advise the RRT of the need to initiate further governmental response actions. This may be limited to activation of the RRT or a request for additional resources to conduct further surveillance or initiation of Phase III or Phase IV removal operations.

(c) The OSC shall insure that adequate surveillance is maintained to determine that removal actions are being properly carried out. If removal is not being done properly, the OSC shall so advise the responsible party. If, after the responsible party has been advised and does not initiate proper removal action, the OSC shall, pursuant to section 311(c) (1) of the Act, take necessary action to remove the pollutant.

(d) If the discharger is unknown or otherwise unavailable, the OSC shall proceed with removal actions pursuant to section 311(c) (1) of the Act.

§ 1510.43 Phase III—Containment and countermeasures.

(a) These are defensive actions to be initiated as soon as possible after discovery and notification of a discharge. These actions may include public health and welfare protection activities, source control procedures, salvage operations, placement of physical barriers to halt or slow the spread of a pollutant, emplacement or activation of booms or barriers to protect specific installations or areas, control of the water discharge from upstream impoundments and the employment of chemicals and other materials to restrain the pollutant and its effects on water related resources.

§ 1510.44 Phase IV—Cleanup, mitigation and disposal.

(a) This includes actions taken to recover the pollutant from the water and affected public and private shoreline areas, and monitoring activities to determine the scope and effectiveness of removal actions. Actions that could be taken include the use of sorbers, skimmers and other collection devices for floating pollutants, the use of vacuum dredges or other devices for sunken pollutants; the use of reaeration or other methods to minimize or mitigate damage resulting from dissolved, suspended or emulsified pollutants; or special treatment techniques to protect public water supplies or wildlife resources from continuing damage.

(b) Pollutants and contaminated materials that are recovered in cleanup operations shall be disposed of in accordance with procedures agreed to at the State or local level.

§ 1510.45 Phase V—Documentation and cost recovery.

(a) This includes a variety of activities, depending on the location of and circumstances surrounding a particular discharge. Recovery of Federal removal costs and recovery for damage done to Federal, State or local government property is included; however, third party damages are not dealt with in this Plan. The collection of scientific and technical information of value to the scientific community as a basis for research and development activities and for the enhancement of understanding of the environment may also be considered in this phase. It must be recognized that the collection of samples and necessary data must be performed at the proper times during the case to fix liability and for other purposes.

§ 1510.46 Special considerations.

(a) *Safety of personnel.* Actual or potential polluting discharges that could have an imminent and substantial effect on both air and water media can pose serious hazards to personnel health and safety. The OSC should be aware of this potential and should exercise caution in allowing civilian or government personnel into the affected area without first verifying the nature of the substance discharged. Regional plans shall

Identify the sources of information on the hazards, precautions, and personnel protective requirements that will be expected in carrying out response operations. The means for OSC to secure such information also shall be included.

(b) *Waterfowl conservation.* Oil discharges, particularly in estuarine and near shore areas, often cause severe stress to resident migratory bird species. The DOI representatives and the State liaison to the RRT shall arrange for and coordinate actions of professional and volunteer groups that wish to establish bird collection, cleaning and recovery centers. Regional contingency plans shall, to the extent practicable, identify organizations or institutions that can and are willing to establish and operate such facilities. These activities will normally be considered Phase IV response actions (paragraph (a) of this section).

Subpart E—Coordinating Instructions

§ 1510.51 Delegation of Authority.

(a) When required, delegation of authority or concurrence in proposed or continuing pollution control activities initially may be oral; however, written confirmation by the EPA representative on RRT should be completed as soon as possible.

§ 1510.52 Multi-regional actions.

(a) In the event that a discharge or a potential pollution emergency moves from the area covered by one contingency plan into another area, the authority to initiate pollution control actions shall shift as appropriate. In the event that a polluting discharge or potential pollution emergency affects areas covered by two or more regional plans, the response mechanism called for by both plans shall be activated; however, pollution control actions shall be fully coordinated as detailed in the regional plans.

(b) There shall be only one ON-Scene Coordinator at any time during the course of a response operation. Should a discharge affect two or more areas, the RRT will designate the OSC, giving prime consideration to the area vulnerable to the greatest damage. NRT shall designate the OSC if members of one RRT or of two adjacent RRT's, if appropriate, are unable to agree on the designation.

§ 1510.53 General pattern of response actions.

(a) When the predesignated Federal On-Scene Coordinator receives a report of a discharge, or potential discharge, the report should be evaluated. In most situations, the sequence of actions shown below should be followed:

(1) Investigate the report to determine pertinent information such as the threat posed to public health or welfare, the type and quantity of material discharged, and the source of the discharge.

(2) Effect notification in accordance with Annex V to this part and the applicable regional plan.

(3) Determine, in accordance with section 311(c)(1) of the Act, whether re-

moval actions are being carried out properly. Removal is considered as being done properly when the following criteria are met:

(1) Private cleanup efforts are effective in terms of the statutory definition of removal, that is, they are fully sufficient to minimize or mitigate damage to the public health or welfare. Private removal efforts shall be deemed "improper" to the extent that Federal efforts are necessary to prevent continued or further damage.

(2) Private removal efforts must be in accordance with applicable regulations and guidelines, and Annex X to this part and other provisions or restrictions of this Plan.

(3) Designate the severity of the situation and determine the future course of action to be followed.

(4) Determine whether State action to effect removal is necessary.

(5) The result of the report probably can be categorized by one of five classes. Appropriate action to be taken in each specific type case is outlined below:

(1) If the investigation shows that the initial information overstated the magnitude or danger of the discharge and there is no environmental pollution involved, it shall be considered a false alarm and the case should be closed; contact should be established with the discharger. The discharger shall be advised of proper removal procedures. The situation shall be monitored to insure that the removal is done properly by the owner or operator of the vessel, onshore facility or offshore facility from which the discharge occurred.

(2) If the investigation shows a minor discharge with improper action being taken, the following measures shall be taken:

(i) Attempt should be made to prevent further discharges from the source.

(ii) The discharger shall be advised of the proper action to be taken.

(iii) If, after providing advice to the discharger and this advice is not followed, the discharger shall be warned of his liability for the cost of removal pursuant to section 311(f) of the Act (See subparagraph (3) of this paragraph).

(iv) The OSC should notify appropriate State and local officials. He shall keep the RRC advised and initiate Phase III and IV operations as conditions warrant.

(v) Information shall be collected for possible recovery of removal costs when removal is effected in accordance with section 311(c)(1) of the Act.

(4) When a report or investigation indicates that a medium discharge has occurred or that the potential for a medium discharge exists, the OSC shall follow the same general procedures as for a minor discharge. Additionally, the OSC shall make a recommendation concerning team activation to the Chairman of the RRT.

(5) When a report indicates that a major discharge has occurred, that a potential major pollution emergency exists, or that a discharge or potential discharges which could arouse wide pub-

lic concern has occurred, the OSC shall follow the same procedures as for minor and medium discharges. RRC and NRT shall, however, be notified immediately of the situation even if the initial report has not been confirmed.

§ 1510.54 Special forces.

(a) The National Strike Force (NSF) shall be established consisting of personnel trained, prepared, and available to provide necessary services to carry out this Plan. This NSF shall be formed around the Strike Teams established by the U.S. Coast Guard on the East, West, and Gulf coasts, and including the Environmental Response Team (ERT) established by the EPA, when required. The NSF shall provide assistance to the OSC during Phase III, IV, and V operations as the circumstances of the situation dictate. When possible, the NSF will provide training to the Emergency Task Forces and participate with the Regional Response Team in Regional Contingency Plan development.

(1) The Strike Teams established by the U.S. Coast Guard are able to provide communications support, advice and assistance for oil and hazardous substances removal. These teams include expertise in ship salvage, diving, and removal techniques and methodology.

(2) The Environmental Response Team established by EPA to carry out the Agency's disaster and emergency responsibilities can provide the OSC and NSF with advice on the environmental effects of oil and hazardous substances discharges, and removal and mitigation of the effects of such discharges. This team includes expertise in biology, chemistry, engineering and, when necessary, meteorology and oceanography.

(3) The Emergency Task Forces established pursuant to section 311(c)(2)(C) shall consist of trained personnel with adequate supplies of oil and hazardous pollution control equipment and materials and detailed discharge removal plans for their areas of responsibility. The Emergency Task Forces shall be established by the Agency responsible for providing the OSC not later than one year from the effective date of this Plan.

(4) The NSF and ERT will generally respond to requests for assistance from the OSC. Requests for the NSF may be made directly to the Commanding Officer of the appropriate Strike Team, the Coast Guard member on the RRT, the appropriate Area Commander, USCG, or to the Commandant, USCG, through the NRC. Requests for the EPA-ERT may be made to the EPA Emergency Coordinator or the appropriate Regional Emergency Coordinator (REC), or the EPA representative on the RRT.

ANNEX I—1100 DISTRIBUTION

1101 Plan distribution.

1101.1 This Plan will be distributed to designated offices of Primary and Advisory Agencies, State and interstate water pollution control agencies and such other Federal, State, local and private agencies and organizations which are cooperating with and participating in activities in support of the Plan.

1101.2 Included in this formal distribution are the following:

Department of Commerce
 Department of Defense
 Department of Health, Education and Welfare
 Department of the Interior
 Department of Justice
 Department of State
 Department of Transportation
 Atomic Energy Commission
 Office of Emergency Preparedness
 All State water pollution control agencies
 All interstate water pollution control agencies
 Other Federal, State, local and private agencies and organizations, as appropriate.

1101.3 Formal distribution of the Plan and amendments will be made by the Environmental Protection Agency.

1102 Amendment, distribution and format.

1102.1 Amendments to the Plan and annexes will be made by sequentially numbered changes. Numbered changes will be effected by means of a transmittal sheet which identifies the Plan, the change number and date, the page numbers affected by the change and any other instructions deemed necessary for purposes of clarity or to make special emphasis or explanation of the change. There will be attached to the transmittal sheet the revised or added pages with the change number and current date on each page at the upper right hand corner.

1102.2 Where a change can be effected merely by pen and ink, the transmittal sheet may be used to accomplish the change without submission of revised pages. The use of pen and ink changes is limited to those cases where existing matter is being deleted or is of minor extent.

1102.3 Asterisks will be used to indicate changes. For line changes, an asterisk will be placed before and after each sentence changed in the left and right page margins. For paragraph changes, an asterisk will be placed before and after each paragraph changed and if continued on the next page, an asterisk will be placed at the top of the page and the end of the paragraph. For a paragraph deletion, an asterisk will be placed in the left margin and the paragraph number or letter will be retained in the original sequence followed by the word "Rescinded" in parentheses.

1102.4 If the Plan is completely rewritten, asterisks will not be used but supersession will be indicated at the bottom of the first page.

ANNEX II—1200 NATIONAL RESPONSE TEAM

1201 National Response Team.

1201.1 The NRT consists of representatives from the Primary and Advisory Agencies. It serves as the National body for planning and preparedness actions prior to a pollution discharge and for coordination and advice during a pollution discharge.

1201.2 Membership on the NRT is established by § 1510.32(a). Each Primary and Advisory Agency shall designate a member to the team and sufficient alternates to insure representation in the event that the member is unavailable.

1202 NRT organization.

1202.1 Except for periods of activation because of a pollution incident, the representative of EPA shall be the Chairman and the representative of DOT shall be vice-chairman of NRT. The vice-chairman shall maintain records of the NRT activities along with National and regional plans for pollution response. When NRT is activated for a pollution incident, the Chairman shall be the representative of EPA or DOT, depending

upon the area in which the response is taking place.

1203 NRT purpose.

1203.1 The NRT, when not activated for a pollution discharge, serves as a standing committee to recommend needed policy changes in the response organization, to revise this Plan as needed and to evaluate the preparedness of the Agencies and effectiveness of plans for coping with pollution discharges.

1203.2 The NRT shall act as an emergency response team to be activated in the event of a discharge involving oil or hazardous substances which (a) exceeds the response capability of the region in which it occurs; (b) transects regional boundaries; (c) involves significant numbers of persons or nationally significant amounts of property; or (d) when requested by any Primary Agency representative. Each representative, or an appropriate alternate, shall be notified immediately by telephone of activation of NRT.

1204 Responsibilities and functions.

1204.1 Planning and preparedness responsibilities of the NRT are to:

1204.1-1 Maintain a continuing review of regional pollution emergency response operations and equipment readiness to insure adequacy of regional and national planning, and coordination for combating discharges of oil and hazardous substances. RET shall recommend revision of the National Contingency Plan to CEQ on the basis of observations of response operations;

1204.1-2 Review the functioning of the RRT's to insure that regional plans developed are fully coordinated among involved agencies. It shall serve as a body to which the RRT's may refer for settlement of matters which they cannot resolve;

1204.1-3 Develop procedures to promote the coordination of Federal, State and local governments and private agencies to respond to pollution incidents;

1204.1-4 Consider necessary changes in policy on the basis of continuing evaluation of regional response actions taken in combating discharges of oil and hazardous polluting substances;

1204.1-5 Provide information to the Research and Development Committee, on research requirements, the need for which is not known until discharges of unusual materials or unique circumstances occur;

1204.1-6 Maintain a continuing awareness of review and act upon reports by the Research and Development Committee;

1204.1-7 Maintain a readiness posture to respond to a nationally significant discharge of oil or other hazardous substance;

1204.1-8 Maintain a continuing surveillance of incoming reports from all RRT's and activate NRT when appropriate; and

1204.1-9 Meet quarterly on the first Thursday of March, June, September and December to review pollution emergency response actions of the preceding period, receive reports of the Committee on Revision and consider amendments to the Plan.

1204.2 When activated during a pollution discharge response, Agency representatives shall meet at the call of the Chairman and shall:

1204.2-1 Monitor and evaluate reports generated by the OSC insuring their completeness. Based on this evaluation, NRT may recommend courses of action in combating the discharge through RRT for consideration by the OSC.

1204.2-2 Request other Federal, State, local government or private agencies to consider taking action under their existing authorities to provide resources necessary for combating a discharge or deployment of personnel to monitor response operations.

1204.2-3 Coordinate the actions of regions or districts other than those affected by the pollution emergency to supply needed equipment, personnel, or technical advice to the RRT and OSC. This includes requests, when appropriate, for activating the Special Forces provided by § 1510.54 of the Plan.

1204.2-4 Act as the focal point for national public information releases and for information transfer between the OSC and the Washington, D.C. headquarters of the Agencies concerned, so as to minimize or prevent dissemination of spurious and incomplete information. Public information actions are discussed in Annex VI of this part.

ANNEX III—1300 NATIONAL RESPONSE CENTER

1301 National Response Center location.

1301.1 The National Response Center (NRC) for control of pollution by oil and hazardous substances is established at the Headquarters, United States Coast Guard, Washington, D.C.

1302 NRC purpose.

1302.1 The purpose of the NRC is to provide physical facilities for coordination and control of a pollution emergency should national level involvement be required.

1303 Responsibility for NRC.

1303.1 The Commandant, U.S. Coast Guard, shall provide the necessary communications and plotting facilities and equipment. These will include:

1303.1-1 A continuously manned communication center for receiving reports of discharges;

1303.1-2 Telephone branch lines;

1303.1-3 Teletypewriter circuits;

1303.1-4 The latest updated charts of the Department of Commerce, Interior and Defense for the U.S. waters, the Continental Shelf and the ocean areas adjacent to U.S. territorial waters;

1303.1-5 Technical library on oil and hazardous substances pollution; and,

1303.1-6 Plotting and display provisions to visually depict the geographic position, movement and extent of the pollutant.

1303.2 Primary Agencies shall furnish competent technical personnel to man the NRC as requested, furnish appropriate technical manuals and materials, and such additional administrative support as required to operate the NRC effectively and efficiently.

1304 Communications services available.

1304.1 Telephone (voice) services available include:

1304.1-1 AUTOVON (Automated Voice Network)—General purpose switched voice network of Defense Communications Systems, which serves Continental U.S., Alaska, Europe, Pacific and Panama;

1304.1-2 Washington Tactical Switchboard—Pentagon terminal of the tactical telephone system, operated by USAF;

1304.1-3 FTS-GSA operated government administrative telephone system; and,

1304.1-4 SARTEL—Search and Rescue Command Coordination telephone network including leased Hotline telephone net extending from Halifax to New Orleans.

1304.2 Teletype writer services available include:

1304.2-1 AUTODIN—A defense communications worldwide high speed user data communications system operated for and managed by the DCA to provide both direct user-to-user and store and forward message switching service for DOD and other government agencies;

1304.2-2 SARLANT—Coast Guard-leased teletypewriter system extending from Massachusetts to Texas (used to control and coordinate SAR incidents and to handle other operational traffic and priority administrative communications);

1304.2-3 SARPAC—Same as (2) for the West Coast U.S.; and

1304.2-4 TELEX—Teletypewriter exchange service provided by Western Union that serves Continental U.S., industry and Government offices. TELEX also permits direct connections with international communication carriers and oversea TELEX communications.

1305.1 Information on current and predicted meteorological, hydrologic and oceanographic conditions for the high seas, coastal and inland waters is available from NOAA. If specific capabilities of other agency environmental description and prediction programs are required because of the area or unusual conditions, NOAA will arrange for the provision of such information.

ANNEX IV—1400 PRIMARY AGENCY OFFICE LOCATIONS AND BOUNDARIES

1400 Geographical Boundaries

Regional contingency plans shall be based upon the Standard Federal Regions as shown on page IV-5. Commerce, EPA, and OEP regional geographical boundaries follow this delineation.

1401 Standard Federal Regions—Map I

- 1401.1 U.S. Department of Commerce
- 1401.2 Environmental Protection Agency
- 1401.3 Office of Emergency Preparedness
- 1402 Department of Transportation—USCG
- 1403 Department of Defense
 - 1403.1 U.S. Army Corps of Engineers—Division Offices
 - 1403.2 U.S. Army Continental Army Commands
 - 1403.3 U.S. Naval Districts
 - 1403.4 U.S. Air Force Reserve Regions
- 1404 U.S. Department of the Interior
 - 1404.1 Field Committee Regions
 - 1404.2 U.S. Geological Survey—Area and District Offices

1401.1 DEPARTMENT OF COMMERCE NOAA AND MARAD

The Weather Service Forecast Offices (WSFO) of the National Weather Service are operational 24 hours a day and consequently serve as contact point for the Department of Commerce elements, such as the NOAA and MarAd, participating in the National Oil and Hazardous Substances Pollution Contingency Plan.

Following list shows Federal regions and designated Department of Commerce contact offices:

- Weather Service Forecast Office
 - Region I
 - General Aviation Admin. Bldg.
 - Maverick Street
 - Logan International Airport
 - East Boston, Mass. 02128
 - Phone (617) 567-1718*
 - Weather Service Forecast Office
 - Regions II and III
 - Morris Heights Post Office
 - P.O. Box 604
 - Bronx, N.Y. 10453
 - Phone (212) 584-0327*
 - Weather Service Forecast Office
 - Region II
 - Isla Verde International Airport
 - San Juan, Puerto Rico 00913
 - Phone (809) 791-0376*
 - Weather Service Forecast Office
 - Region IV
 - Atlanta Airport
 - Atlanta, Ga. 30320
 - Phone (404) 526-7585*

*This is an unlisted number and should only be used for alerting purposes.
 †24 hour telephone

- Weather Service Forecast Office
 - Region V
 - Bldg. C, Sixth Floor
 - 1819 West Pershing Road
 - Chicago, Illinois 60609
 - Phone (312) 353-4765*
 - Weather Service Forecast Office
 - Region VI
 - 819 Taylor Street, Room 10A44
 - Forth Worth, Texas 76102
 - Phone (817) 334-3451*
 - Weather Service Forecast Office
 - Region VII
 - Room 1710
 - 601 E. 12th Street
 - Kansas City, Missouri 64106
 - Phone (816) 374-5203*
 - Weather Service Forecast Office
 - (Denver County)
 - Region VIII
 - 2520 Galena Street
 - Aurora, Colorado 80010
 - Phone (303) 837-4207*
 - Weather Service Forecast Office
 - (San Francisco County)
 - Region IX
 - 680 Price Avenue
 - Redwood City, California 94063
 - Phone (415) 556-0484*
 - Weather Service Forecast Office
 - Region IX
 - International Airport
 - P.O. Box 9428
 - Honolulu, Hawaii 96820
 - Phone (808) 845-2102*
 - Weather Service Forecast Office
 - Region X
 - 1121 Federal Building
 - Seattle, Washington 98104
 - Phone (206) 442-5908*
 - Weather Service Forecast Office
 - Region X
 - 632 6th Avenue
 - Anchorage, Alaska 99501
 - Phone (907) 265-4742*

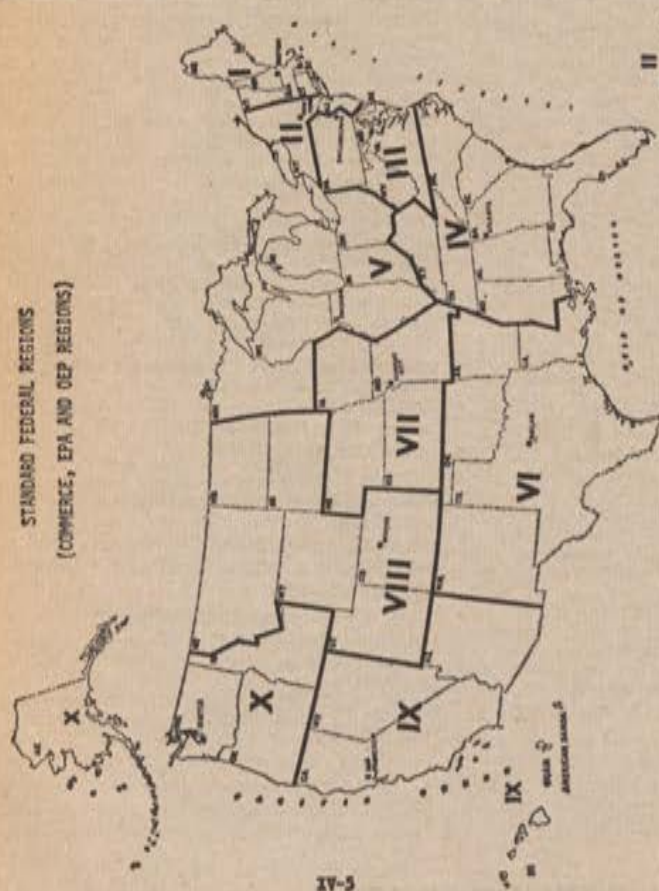
1401.2 ENVIRONMENTAL PROTECTION AGENCY REGIONAL OFFICES

- Environmental Protection Agency
 - Region I, Room 2303
 - John F. Kennedy Federal Building
 - Boston, Massachusetts 02203
 - Tel: (617) 223-7265¹
- Environmental Protection Agency
 - Regional II, Room 908
 - 26 Federal Plaza
 - New York, New York 10007
 - Tel: (201) 548-8730¹
- Environmental Protection Agency
 - Region III
 - Curtis Bldg.
 - 6th and Walnut Streets
 - Philadelphia, Pennsylvania 19106
 - Tel: (215) 597-9898¹
- Environmental Protection Agency
 - Region IV
 - 1421 Peachtree St., NE.
 - Atlanta, Georgia 30309
 - Tel: (404) 526-5062¹
- Environmental Protection Agency
 - Region V
 - 1 North Wacker Drive
 - Chicago, Illinois 60606
 - Tel: (312) 353-6188¹
- Environmental Protection Agency
 - Region VI, Suite 1600
 - 1600 Patterson St.

- Dallas, Texas 75201
- Tel: (214) 749-3840¹
- Environmental Protection Agency
 - Region VII
 - 1735 Baltimore Ave.
 - Kansas City, Missouri 64108
 - Tel: (816) 374-3778¹
- Environmental Protection Agency
 - Region VIII, Suite 900
 - 1860 Lincoln Street
 - Denver, Colorado 80203
 - Tel: (303) 837-3880¹
- Environmental Protection Agency
 - Region IX
 - 100 California Street
 - San Francisco, California 94111
 - Tel: (415) 556-6254¹
- Environmental Protection Agency
 - Region X
 - 1200 Sixth Avenue
 - Seattle, Washington 98101
 - Tel: (206) 442-4343¹

1401.3 OFFICE OF EMERGENCY PREPAREDNESS REGIONAL OFFICES

- Office of Emergency Preparedness
 - Region I, Room 2003E
 - John F. Kennedy Federal Building
 - Boston, Massachusetts 02203
 - PTS 617-223-4271
- Office of Emergency Preparedness
 - Region II, Room 1349
 - 26 Federal Plaza
 - New York, New York 10007
 - PTS 212-264-6980
- Office of Emergency Preparedness
 - Region III, Suite 915
 - 2 Penn Center Plaza
 - Philadelphia, Pennsylvania 19102
 - PTS 215-597-9416
- Office of Emergency Preparedness
 - Region IV, Suite 750
 - 1375 Peachtree Street, NE.
 - Atlanta, Georgia 30309
 - PTS 404-526-3641
- Office of Emergency Preparedness
 - Region V, Room 520
 - 300 South Wacker Drive
 - Chicago, Illinois 60606
 - PTS 312-353-1500
- Office of Emergency Preparedness
 - Region VI, Room 1302B
 - Federal Building
 - 1100 Commerce Street
 - Dallas, Texas 75202
 - PTS 214-749-1411
- Office of Emergency Preparedness
 - Region VII, Room 1500
 - Trader National Bank Building
 - 1125 Grand Avenue
 - Kansas City, Missouri 64106
 - PTS 816-374-5913
- Office of Emergency Preparedness
 - Region VIII, Room 370
 - Building No. 67
 - Denver Federal Center
 - Denver, Colorado 80225
 - PTS 303-234-3271
- Office of Emergency Preparedness
 - Region IX
 - 120 Montgomery Street
 - San Francisco, California 94104
 - PTS 415-556-8794
- Office of Emergency Preparedness
 - Region X, Room M-16
 - Arcade Building
 - 1319 2nd Avenue
 - Seattle, Washington 98101
 - PTS 206-442-1310

STANDARD FEDERAL REGIONS
(COMMERCE, EPA AND DEP REGIONS)

IV-5

1402 DEPARTMENT OF TRANSPORTATION
U.S. COAST GUARD DISTRICTS

1st Coast Guard District
150 Causeway Street
Boston, Mass. 02114
Duty Officer: (617) 223-6650

2nd Coast Guard District
Federal Building
1520 Market Street
St. Louis, Mo. 63101
Duty Officer: (314) 622-4614

3rd Coast Guard District
Governors Island
New York, N.Y. 10004
Duty Officer: (212) 264-4800

5th Coast Guard District
Federal Building
431 Crawford Street
Portsmouth, Va. 23705
Duty Officer: (703) 393-6611

7th Coast Guard District
Room 1018, Federal Bldg.
51 S.W. 1st Avenue
Miami, Fla. 33130
Duty Officer: (305) 350-5611

8th Coast Guard District
Customhouse
New Orleans, La. 70130
Duty Officer: (504) 527-6225

• Region Office(s)

9th Coast Guard District
1240 East 9th Street
Cleveland, Ohio 44199
Duty Officer: (216) 522-3994

11th Coast Guard District
Heartwell Bldg.
19 Pine Avenue
Long Beach, Calif. 90802
Duty Officer: (213) 590-2311

12th Coast Guard District
680 Sansome Street
San Francisco, Calif. 94126
Duty Officer: (415) 556-5500

13th Coast Guard District
618 2nd Avenue
Seattle, Wash. 98104
Duty Officer: (206) 524-2902

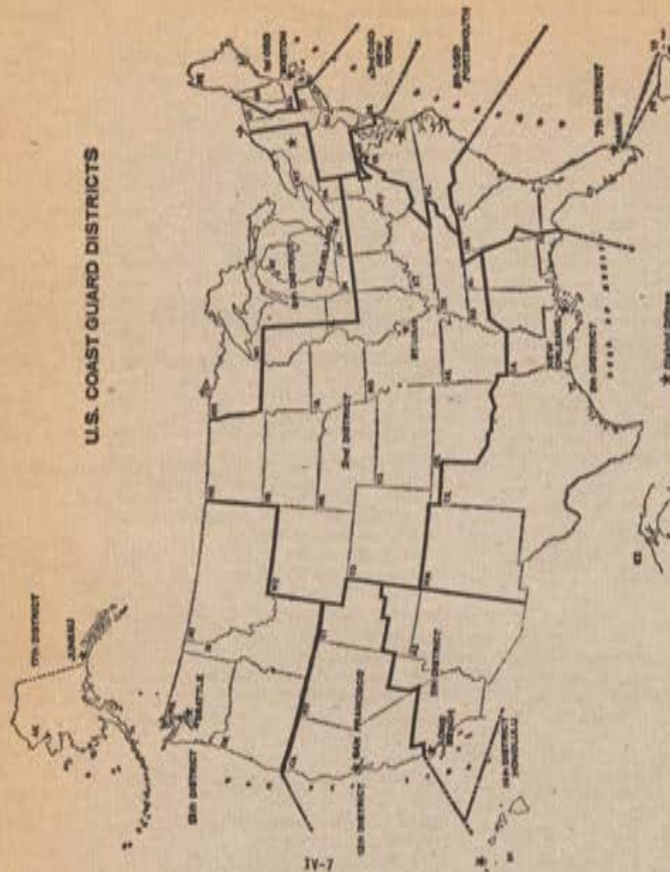
14th Coast Guard District
677 Alis Moena Blvd.
Honolulu, Hawaii 96813
Duty Officer: (808) 546-7109
(COMMERCIAL ONLY)

AUTOVON-421-4845

17th Coast Guard District
P.O. Box 3-5000
Juneau, Alaska 99801
Duty Officer: (907) 586-7340
(COMMERCIAL ONLY)

AUTOVON-388-1121

U.S. COAST GUARD DISTRICTS



IV-7

1403 DEPARTMENT OF DEFENSE

U.S. ARMY CORPS OF ENGINEERS

1403.1 DIVISION OFFICES

U.S. ARMY ENGR DIV, LOWER MISS. VALLEY

Corner Crawford and Walnut Sts.
P.O. Box 80

Vicksburg, Miss. 39180
Tel. Duty Hours—(601) 636-1311
Non Duty Hours—(601) 636-1313

U.S. ARMY ENGR DIV, MISSOURI RIVER

P.O. Box 103 Downton Station
215 North 17th Street
Omaha, Nebraska 68101
Tel. Duty Hours—(602) 221-3001
Non Duty Hours—(602) 453-0202

U.S. ARMY ENGR DIV, NEW ENGLAND

424 Trespelo Road
Walham, Mass. 02154
Tel. Duty Hours—(617) 894-2400
Non Duty Hours—(617) 894-2404

U.S. ARMY ENGR DIV, NORTH ATLANTIC

90 Church Street
New York, N.Y. 10007
Tel. Duty Hours—(212) 264-7101
Non Duty Hours—(212) 635-1981

U.S. ARMY ENGR DIV, NORTH CENTRAL

536 S. Clark Street
Chicago, Ill. 60605
Tel. Duty Hours—(312) 353-6310
Non Duty Hours—(312) 645-2183

U.S. ARMY ENGR DIV, NORTH PACIFIC

Rm 210, Custom House
Portland, Oregon 97209
Tel. Duty Hours—(503) 221-3700
Non Duty Hours—(503) 221-3700

U.S. ARMY ENGR DIV, OHIO RIVER

P.O. Box 1159
550 Main Street
Cincinnati, Ohio 45201
Tel. Duty Hours—(513) 684-3002
Non Duty Hours—(513) 684-3001

U.S. ARMY ENGR DIV, PACIFIC OCEAN

Bldg. 96
 Ft. Armstrong
 Honolulu, Hawaii 96813
 Tel. Duty Hours—(808) 543-2615
 Non Duty Hours—(808) 422-2711

U.S. ARMY ENGR DIV, SOUTH PACIFIC

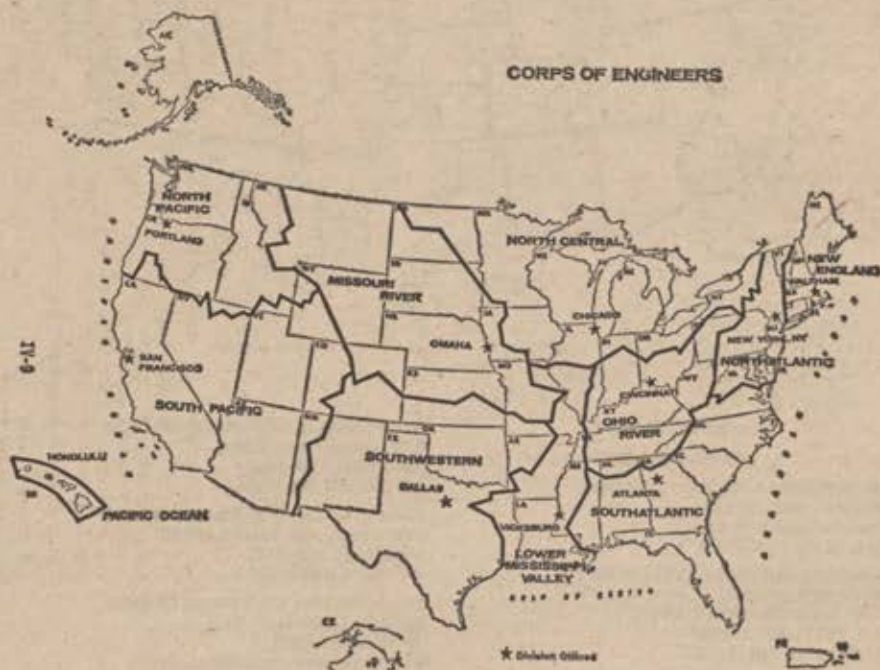
630 Sansome St. Rm 1216
 San Francisco, California 94111
 Tel. Duty Hours—(415) 556-0914
 Non Duty Hours—(415) 556-0914

U.S. ARMY ENGR DIV, SOUTH ATLANTIC

510 Title Bldg
 30 Pryor St., SW.
 Atlanta, Georgia 30303
 Tel. Duty Hours—(404) 526-6711
 Non Duty Hours—(404) 526-0111

U.S. ARMY ENGR DIV, SOUTHWESTERN

1114 Commerce Street
 Dallas, Texas 75202
 Tel. Duty Hours—(214) 749-3336
 Non Duty Hours—(214) 749-1011



CORPS OF ENGINEERS

1403.2 U.S. ARMY
 CONTINENTAL COMMANDS

HEADQUARTERS

U.S. Continental Army Command
 Ft. Monroe, Virginia 23351
 Tel. 24 hours/day (703) 727-2256

HEADQUARTERS

First United States Army
 Ft. George G. Mead
 Maryland 20755
 Tel. 24 hours/day (301) 677-2082

HEADQUARTERS

Third United States Army
 Ft. McPherson
 Georgia 30330
 Tel. Duty Hours—(404) 752-2105
 Non Duty Hours—(404) 752-3606

HEADQUARTERS

Fifth United States Army
 Ft. Sam Houston
 Texas 78234
 Tel. Duty Hours—(512) 221-5347
 Non Duty Hours—(512) 221-4746

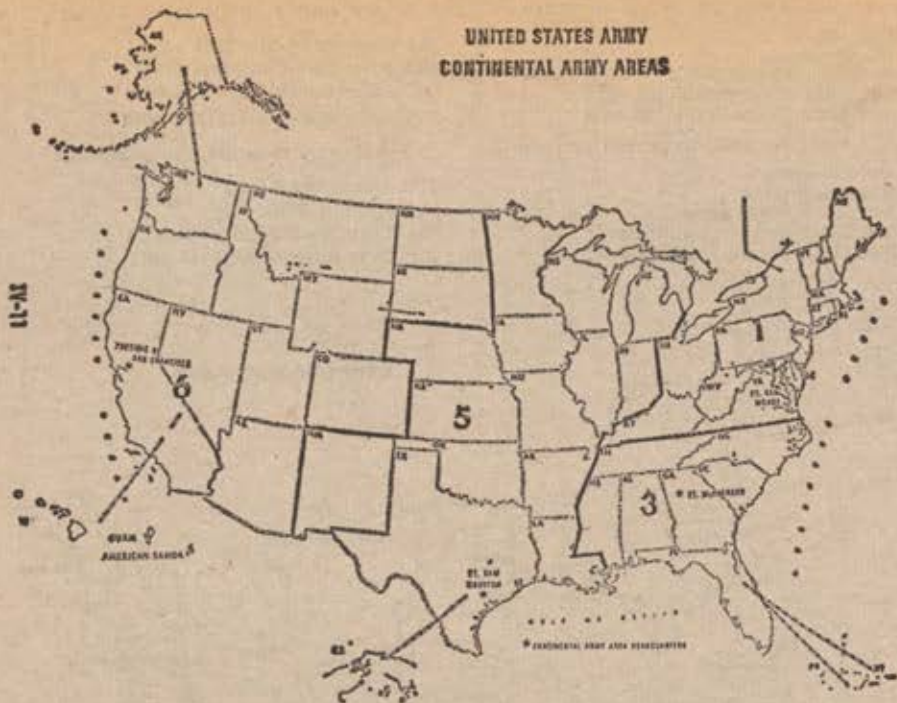
HEADQUARTERS

Sixth United States Army
 Presidio of San Francisco
 California 94129
 Tel. Duty Hours—(415) 561-3891
 Non Duty Hours—(415) 561-2497

HEADQUARTERS

Military District
 Washington
 Washington, D.C. 20315
 Tel. 24 hours/day (202) 697-3722

UNITED STATES ARMY
CONTINENTAL ARMY AREAS



1403.3 U.S. NAVY

NAVAL DISTRICTS

Headquarters, 1st Naval District
495 Summer Street
Boston, Massachusetts
Tel. (617) LI 2-5100

Headquarters, 3rd Naval District
90 Church Street
New York, New York 10007
Tel. (212) RE 2-9100
AUTOVON 796-1110

Headquarters, 4th Naval District
Philadelphia, Pennsylvania 19112
Tel. (215) 755-4114
AUTOVON 443-1110

Headquarters, 5th Naval District
Norfolk, Virginia 23511
Tel. (703) 444-3589
AUTOVON 890-0110

Headquarters, 6th Naval District
Naval Base
Charleston, South Carolina 29408
Tel. (803) 743-2650
AUTOVON 794-4111

Headquarters, 8th Naval District
New Orleans, Louisiana 70140
Tel. (504) 366-2311

Headquarters, 9th Naval District
Building I
Great Lakes, Illinois 60088
Tel. (312) 688-4810
AUTOVON 792-2000

Headquarters, 10th Naval District
San Juan, Puerto Rico
Tel. (809) 722-0080
AUTOVON 894-3641

Headquarters, 11th Naval District
San Diego, California 92130
Tel. (714) 235-3401
AUTOVON 933-8011

Headquarters, 12th Naval District
Federal Office Building
59 Fulton Street
San Francisco, California 94102
Tel. (415) 621-3628
AUTOVON 869-0111

Headquarters, 13th Naval District
Seattle, Washington 98115
Tel. (206) AT 3-5200
AUTOVON 941-3111

Headquarters, 14th Naval District
Pearl Harbor, Hawaii
Tel. (808) 40053 ext. 22101
AUTOVON 421-6823

Headquarters, 15th Naval District
Fort Amador Canal Zone
Canal Zone 882226
AUTOVON 221-3312

Headquarters, Naval District, Washington,
D.C.

Washington Navy Yard
Washington, D.C. 20390
Tel. (202) OX 3-2572 or OX 3-2670
AUTOVON 223-2572/2670

1404 DEPARTMENT OF THE INTERIOR

1404.1 FIELD COMMITTEE REGIONS

NORTHEAST REGION

Regional Coordinator
Department of the Interior
John F. Kennedy Federal Building
Room 2003K—Government Center
Boston, Massachusetts 02203
Tel: (617) 223-2973

NORTH CENTRAL REGION

Field Representative
Department of the Interior
2510 Dempster Street
Des Plaines, Illinois 60016
Tel: (312) 296-2433

PACIFIC SOUTHWEST REGION

Field Representative
Department of the Interior
450 Golden Gate Avenue
P.O. Box 36098
San Francisco, California 94103
Tel: (415) 556-8200

PACIFIC NORTHWEST REGION

Field Representative
Department of the Interior
Federal Building, Room 107
1002 N.E. Holladay Street
P.O. Box 3621
Portland, Oregon 97208
Tel: (503) 234-5138 or 39

SOUTHEAST REGION

Field Representative
Department of the Interior
404 Financial Services Bldg.
148 Cain Street, N.E.
Atlanta, Georgia 30303
Tel: (404) 526-4524

MISSOURI BASIN REGION

Regional Coordinator
Department of the Interior
Bldg. 87, Room 590
Denver Federal Center
Denver, Colorado 80225
Tel: (303) 233-6446

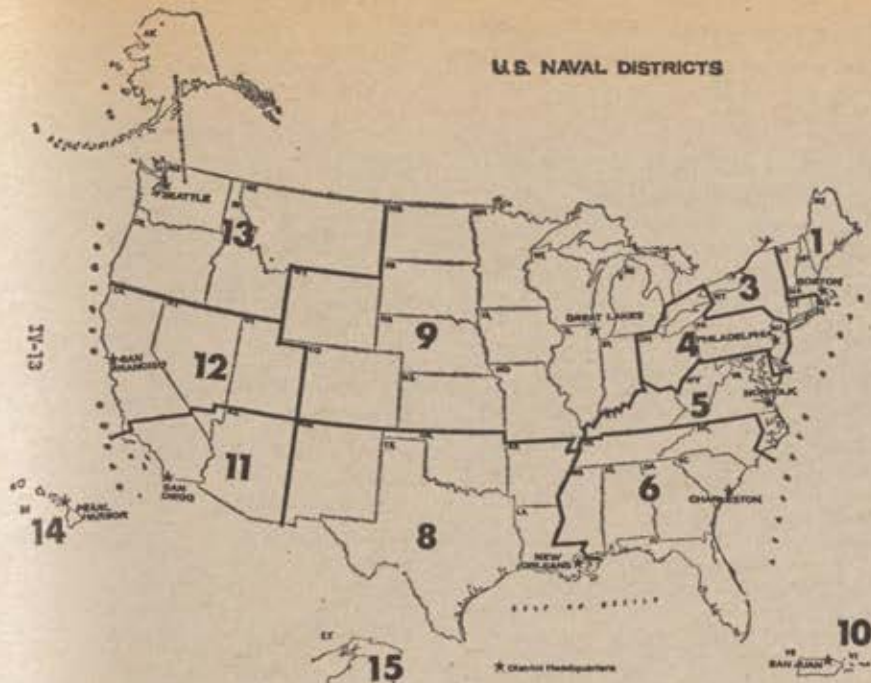
ALASKA REGION

Field Representative
Department of the Interior
338 Denali Street
Suite 1407
Anchorage, Alaska 99501
Tel: (907) 272-5561 ext. 423 or 423

SOUTHWEST REGION

Field Representative
Department of the Interior
Federal Building, Room 4030
517 Gold Street, SW.
Albuquerque, New Mexico 87104
Tel: (505) 843-2838

U.S. NAVAL DISTRICTS

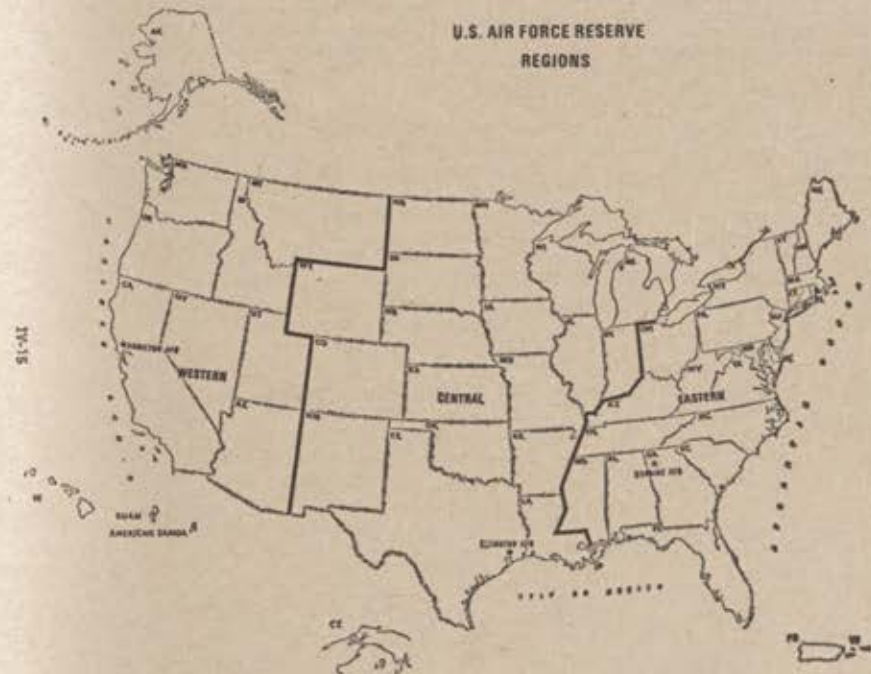


1403.4 U.S. AIR FORCE RESERVE REGIONS

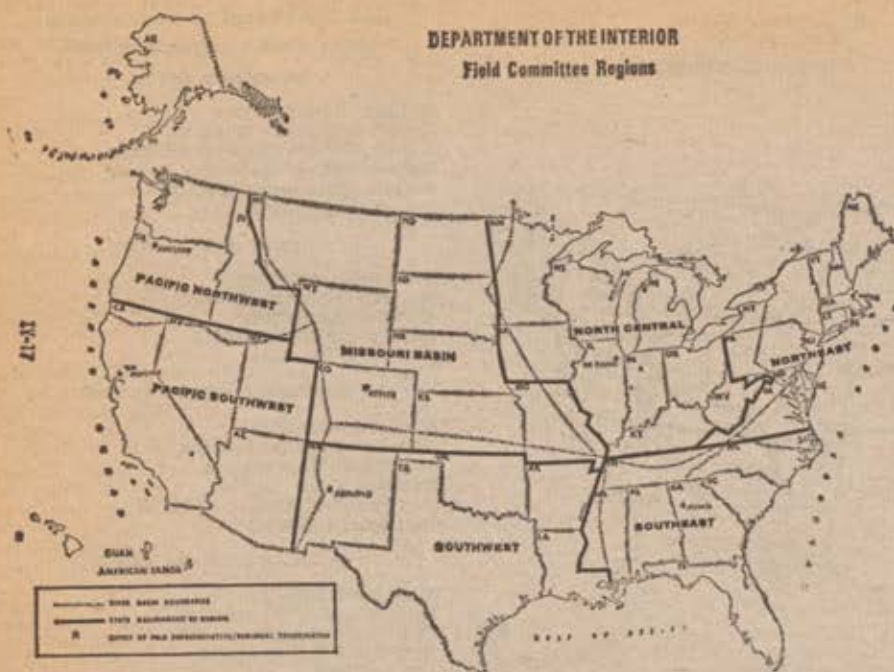
Eastern Air Force Reserve Region
Dobbins Air Force Base
Georgia 30060
Tel. Duty Hours—(404) 428-4461
Non Duty Hours—(404) 428-4461
Central Air Force Reserve Region

Ellington Air Force Base
Texas 77030
Tel. Duty Hours—(713) 481-1400 ext. 2660
Non Duty Hours—(713) 481-1400 ext. 2222
Western Air Force Reserve Region
Hamilton Air Force Base
California 94934
Tel. Duty Hours—(415) 838-3811
Non Duty Hours—(415) 838-2700

U.S. AIR FORCE RESERVE REGIONS



DEPARTMENT OF THE INTERIOR
Field Committee Regions



14012 U.S. GEOLOGICAL SURVEY
AREA AND DISTRICT OFFICES
HEADQUARTERS

Chief, Conservation Division
U.S. Geological Survey-CD
3227 General Services Admin. Bldg.
18th & P Streets, N.W.
Washington, D.C. 20242
Tel: (202) 343-4528

ALASKA AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
Post Office Box 259
Room 214, Skyline Bldg.
218 E. Street
Anchorage, Alaska 99501
Tel: (907) 277-0379
Thru: Seattle (206) 442-0150

EASTERN AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
Room 3227, GSA Bldg.
Washington, D.C. 20242
Tel: (202) 343-4528

MID-CENTRUM AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
4562 Federal Building
333 West Fourth Street
Tulsa, Oklahoma 74103
Tel: (918) 581-7632

DISTRICT OFFICES

District Engineer
U.S. Geological Survey-CD
Oklahoma City District
4321 Federal Court House & Office Bldg.
Oklahoma City, Oklahoma 73102
Tel: (405) 231-4806

District Engineer
U.S. Geological Survey-CD
Shreveport District
201 Oil and Gas Building
323 Market Street
Shreveport, Louisiana 71101
Tel: (318) 425-6355

District Engineer
U.S. Geological Survey-CD
Tulsa District
3413 Federal Building

333 W. Fourth Street
Tulsa, Oklahoma 74103
Tel: (918) 581-7634

GULF COAST AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
Suite 336
3301 N. Causeway Blvd.
Metairie, Louisiana 70004
Tel: (504) 627-2337

DISTRICT OFFICES

District Engineer
Lafayette District No. 1
P.O. Box 52289
239 Bendel Road
Lafayette, Louisiana 70501
Tel: (318) 232-6037

District Engineer
Lafayette District No. 2
P.O. Box 52289
Tel: (318) 232-6037
New Orleans District
Suite 322
Imperial Office Bldg.
3301 N. Causeway Blvd.
Metairie, Louisiana 70004
Tel: (504) 835-6427

NORTHERN ROCKY MOUNTAIN AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
P.O. Box 2859
2002 Federal Building
Casper, Wyoming 82601
Tel: (307) 265-3405

SOUTHERN ROCKY MOUNTAIN AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
Federal Building and U.S. Courthouse
Richardson Ave. at Fifth Street
Roswell, New Mexico 88201
Tel: (505) 622-9857

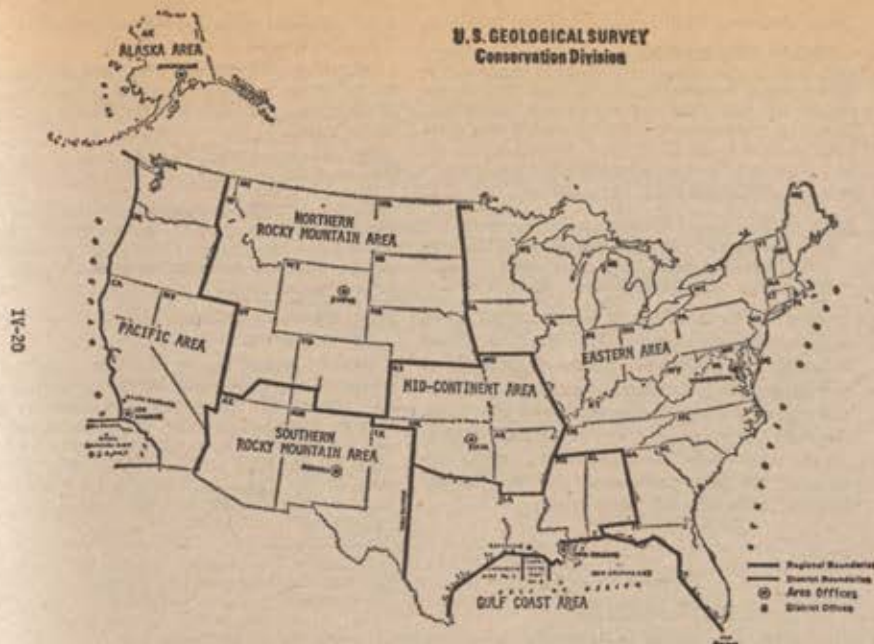
PACIFIC AREA

Area Oil and Gas Supervisor
U.S. Geological Survey-CD
7744 Federal Building
300 N. Los Angeles Street
Los Angeles, California 90012
Tel: (213) 688-2846

DISTRICT OFFICE

Santa Barbara District
209 Post Office Building
836 Anacapa Street
Santa Barbara, California 93101
Tel: (805) 963-3305

U. S. GEOLOGICAL SURVEY
Conservation Division



ANNEX V—1500 COMMUNICATIONS AND REPORTS

1501 Purpose.

1501.1 The communications concerning an oil or hazardous substance discharge are an integral and significant part of the operations. The same precepts govern in these instances as do other operations in which the USCG, EPA and other operating agencies are involved.

1502 Objectives.

1502.1 The objectives of the communications and reports are:

- 1502.1-1 To speed the flow of information pertaining to pollution discharge;
- 1502.1-2 To relay advice, instructions and reports pertaining to pollution discharge; and
- 1502.1-3 To provide for alerting, notification, surveillance and warning of a pollution discharge.

1503 Communications procedures.

1503.1 Normal communication circuits of each Primary Agency shall be used to effectuate this Plan. The national and district or regional offices and telephone numbers of primary alerting and notification offices of interested agencies will be maintained in NRC and as appropriate in RRC.

1503.2 The initial reporting of a pollution discharge by agencies participating in this plan shall be in accordance with the information and format as described in the regional plans. Reports of medium or major discharge received from dischargers or the general public by the NRC shall be relayed by telephone to predesignated OSC. NRC shall evaluate incoming information and immediately advise OEP Disaster Programs Office of potential disaster situations.

1503.3 POLREPS (Pollution Reports) shall be submitted by RRT to NRT in a timely manner as developments occur and at 0800 and 2000 local time on each day of the operation.

1504 Pollution reports.

1504.1 Within 60 days after the conclusion of Federal removal action resulting from a major pollution discharge, the OSC shall submit a complete report of the response

operation and the actions taken. Copies will be furnished to the NRT or RRT, as appropriate, together with any other pertinent information available to the forwarding group. The NRT shall then evaluate each situation and will make appropriate recommendations.

1504.2 The report required by 1504.1 above shall include:

- 1504.2-1 Description of the cause and initial situation;
- 1504.2-2 Organization of response action and resources committed;
- 1504.2-3 Effectiveness of response and removal actions by:
 - a. The discharger;
 - b. State and local forces;
 - c. Federal Agencies and Special Forces;
- 1504.2-4 Unique problems encountered;
- 1504.2-5 Recommendations on:
 - a. Means to prevent recurrence;
 - b. Improvement of response actions;
 - c. Changes in National or Regional Contingency plans to improve.

ANNEX VI—1600 PUBLIC INFORMATION

1601 Introduction.

1601.1 When a major pollution discharge occurs, it is imperative that the public be provided promptly with accurate information on the nature of the discharge and what steps are being taken to correct the problem. This policy must be followed to obtain understanding from the public, ensure cooperation for all interested parties and to check the spread of misinformation. National Administration Policy and the Freedom of Information Act both call for maximum disclosure of information.

1602 National News Office.

1602.1 When the NRT is activated, the team chairman will contact the most appropriate Primary Agency and ask it to detail a professional information officer to establish and direct a National News Office. Requests by the Director of the National News Office for an appropriate number of professional and clerical assistants will be met by one or more of the Primary Agencies.

1602.2 The Director of the National News Office will be responsible for overall supervision of public information activities. While the Director of the Regional News Office will have considerable freedom in responding to

news inquiries, he will work under the direction of the Director of the National News Office. The closest possible coordination will be maintained between the National News Office in Washington and the Regional News Office.

1602.3 Promptly after his designation, the Director of the National News Office will contact the White House Press Office and the Office of the Director of Communications for the Federal Government to arrange whatever information assistance may be required by these offices.

1602.4 All written news releases involving major policy considerations will be cleared by the Chairman of the NRT or in his absence the vice-chairman. Situation reports and other factual releases will not require formal clearance.

1602.5 The Director of the National News Office will have free access to meetings of the NRT and will be consulted on the possible public reaction to the courses of action under consideration by the NRT.

1602.6 At appropriate intervals the Director of the National News Office may arrange news conferences at which the Chairman of the NRT, the OSC or other informed officials will make progress reports and respond to questions from the media representatives.

1602.7 The Director of the National News Office will keep appropriate press offices posted on developments. These include the press offices of the Secretaries or Director of the Primary Agencies to the National Contingency Plan; Governors, Senators and Representatives whose States or Districts are affected by the incident; and, the mayor and other responsible local officials in affected communities.

1602.8 As long as public interest warrants, at least one written news release or status report per day will be issued by the National News Office and the Regional News Office reporting progress.

1602.9 The National News Office will be provided with adequate space, telephones, typewriters, communications equipment and other supplies by the U.S. Coast Guard at U.S. Coast Guard headquarters, Washington, D.C., where the NRC is housed. The Director of the National News Office will determine what equipment and supplies are needed to ensure an orderly flow of information and to accommodate visiting members of the news media.

1603 Regional News Office.

1603.1 When an RRT is activated, the Chairman will contact the most appropriate agency and ask it to detail a professional public information officer to establish and direct a Regional News Office. Any primary Agency may by request to the RRT, place its designated representative on the staff of the Regional News office to advise and assist the Director. The Regional News Office should be set up at or near the location where the OSC is stationed. Requests by the Director of the Regional News Office for appropriate professional and clerical assistance will be met by one or more of the primary agencies.

1603.2 The Director of the Regional News Office will follow the procedures outlined above for the Director of National News Office in contacting the press offices of State and local officials, in arranging appropriate public information liaison with industries and other concerned interests, and in issuing at least one daily written news release.

1603.3 All news releases involving major policy considerations will be cleared by the Chairman of the RRT.

1603.4 The Director of the Regional News Office will have free access to meetings of the RRT and should be consulted on the

possible public reaction to the courses of action under consideration by the RRT.

1603.5 The Regional News Office will be provided with adequate space, telephones, typewriters, communications equipment and other supplies by the Primary Agency which is providing the RRC. The Director of the Regional News Office will determine what equipment and supplies are needed to ensure an orderly flow of information and to accommodate visiting members of the news media.

1604 Washington, D.C., public information contact.

1604.1 If the NRT has not been activated, the Director of the Regional News Office will ask the most appropriate Primary Agency to assign a public information officer in Washington, D.C., to serve as a contact point for queries made in Washington, D.C. The information officer assigned to this task will follow the procedures outlined above for the Director of the National News Office in contacting the press offices of the White House and Congressional and Federal officials.

1605 Interim Public Information Director.

1605.1 In the period following a discharge and before the need for a Federal response is determined, information activities will be directed by the public information personnel of the same Primary Agency which will provide the predesignated OSC. These activities will be conducted in accordance with the information policies of that agency.

1606 Special public information procedures for Senators, Representatives, Congressional Aides and Staff Members, White House Representatives and other VIP's.

1606.1 The Director of the National News Office or the Director of the Regional News Office will arrange, on request, to perform special public information services for VIP's including: notifying the media of the time, place and purpose of the VIP visits; making press conference arrangements; and, arranging for interviews with the VIP by interested members of the media.

1607 Special public information procedures for salesmen.

1607.1 Public information officers assigned to pollution emergencies will refer salesmen to technical personnel designated to evaluate their wares.

1608 Special public information procedures for the general public.

1608.1 In responding to queries from the general public, public information officers will advise the callers or arrange to have the callers advised on what the latest press release has reported.

1609 Special public information procedures—correspondence.

1609.1 After the crisis has subsided, a model letter reporting on the situation will be drafted by the public information personnel assigned to the problem. After the model letter has been approved by the Chairman of the NRT or the RRT, copies will be sent to the Primary Agencies for their guidance in responding to mail inquiries.

ANNEX VII

1700 LEGAL AUTHORITIES

1700.1 Federal Statutes, Regulations and Administration orders relative to oil pollution control are administered by several Departments and Agencies. The following is a tabular summation of the more important of these legal authorities.

1710 Federal Oil Pollution Control Statutes

STATUTES	OPERATING AGENCIES INVOLVED	PROHIBITED ACT OR AUTHORIZATION	TERRITORIAL APPLICATION	SANCTIONS	EXCEPTED DISCHARGES
1711 Refuse Act 1899 (33 U.S.C. 407 et seq.)	1. CORPS 2. U.S.C.G. 3. Customs 4. JUSTICE	To discharge from ship, (foreign & domestic) or from shore or water front facility, any refuse matter of any kind or description (even commercially valuable petroleum).	1. U.S. navigable waters (USNW) 2. Tributaries, if refuse floats or washes into USNW. 3. On banks, if likely to be washed into USNW.	1. \$500.00 - \$2500.00; 30 days to 1 yr. or both 2. Vessel liable "in rem" for penalties.	"sewage" flowing from streets and sewers.
****	****	****	****	****	****
1712 Federal Water Pollution Control Act, as amended. (33 U.S.C. 1151 et seq.)	1. EPA 2. DOT 3. CORPS 4. Customs 5. JUSTICE	Discharge, in harmful quantities, of oil or hazardous substances to the waters of the U.S. Effluent Standards, National Standards of Performance, Water Quality Standards.	U.S. waters or adjoining shorelines or the waters of the contiguous zone.	1. Failure to report prohibited discharge: (a) fine up to \$10K or (b) imprisonment for up to one year. 2. Prohibited discharge of oil or hazardous substance—civil penalty, \$K. 3. Violation of regulations—\$K. 4. Removal liability costs: (a) vessel \$14K or \$100/grt; (b) onshore or offshore facility, \$4K.	1. As allowed by regulations, standards or permits. 2. In the contiguous zone as permitted by the 94 Convention, as amended in 1969.
****	****	****	****	****	****
1713 Oil Pollution Act (1961, as amended, (33 U.S.C. 1001-1015) implements International Convention on Prevention of Pollution of Sea by Oil.	1. U.S.C.G. 2. Customs 3. CORPS 4. JUSTICE 5. State	1. Any discharge or escape of persistent oil from vessels subject to Act, i.e., all U.S. seagoing vessels including tankers (whose tanks carry only oil). Except: (a) tankers under 150 gross tons; (b) other vessels under 500 gross tons; (c) vessels on whaling operations;	1. Prohibited zone: (a) measured from baselines from which territorial sea is established; (b) generally extends 50 miles to sea; (c) extends 100 miles to sea off Northeast Coast of U.S.; (d) extends out 100 miles to sea off West Coast of Canada; and (e) modifications published in Notices to Mariners.	1. Penalty: (a) \$500.00 to \$2500.00 or 1 yr. or both—any person or company; (b) ship other than one owned & operated by U.S. liable "in rem" for above penalty, and (c) suspension or revocation of license.	1. Discharges: (a) to secure safety of ship, cargo or life at sea; (b) due to damage to vessel or unavoidable leakage, if all reasonable precautions taken after damage occurred

1-11A

(d)Vessels while using Great Lakes & tributaries; and,
(e)Naval vessels and auxiliaries.
2.Any discharge of oil from vessel subject to Act, of 20,000 or plus gross tons, whose bldg. contract executed on or after May 18, 1967.
3.Vessels, subject to Act, which are tankers or use oil fuel must keep Oil Record Book with entries of certain discharges or escapes of oils.
4.Forward to State Dept. evidence of discharge or escape from foreign vessel.

2.Unlimited-Except if in Master's opinion special circumstances make it neither reasonable nor practicable to retain oil on board, discharge, outside prohibited zone is permitted.
3.Penalties re. Oil Record Book:
(a)Person failing to comply - fine of from \$500.00 to \$1,000.00;
(b)Person making false entry (i)fine - \$500.00 to \$1,000.00, (ii)imprisonment for 6 mos. or both.
4.Prohibited zone (No. 1 above).

or leakage discovered;
(c)Of residue from fuel or lube oil purification or clarification as far from land as possible;
(d)Oil mixtures from bilges containing only lube oil drained or leaked from machinery spaces; and
(e)Vessels, other than tanker, proceeding to a port with inadequate reception facilities.

1720 Related Federal Statutes

STATUTES	ADMINISTRATIVE AUTHORITY	AUTHORIZED ACTION	TERRITORIAL CONSIDERATIONS
1721 U.S.Navy Ship Salvage Authority (10 U.S.C. 7361)	Secretary of Navy (U.S. Navy Ship System Command, Supervisor of Salvage)	1.To salvage, by contract or otherwise: (a)U.S. Naval vessels; (b)Private vessel (foreign or domestic) subject to availability of salvage forces; and, (i)if not abandoned nor under governmental control nor other salvage facilities reasonably available & competent private authority requests help, i.e., ship's master, owner, or underwriter, (ii)if abandoned or under control of U.S.C.G., FMPCA, Corps of Engineers, Office of Emergency Preparedness, or Federal Court - competent requesting agency becomes customer.	1.(a) for U.S. Naval vessels - Navy has direct responsibility anywhere; (b)for private vessels (1)U.S. navigable waters and high seas. (ii)U.S. navigable waters U.S. territorial waters and those within the authority of requesting government agency by law or treaty.
1722 Outer Continental Shelf Land Act of 1953 (43 U.S.C. 1331-1343)	Secretary of the Interior (a) Dir. of Land Mgmt. (b) U.S.G.S. Secretary of Transportation (a) U.S.C.G.	1.To regulate leases for exploitation of Shelf lands, terms and conditions calculated to prevent pollution in offshore oil or mining operations. Regulations provide that lessee shall not pollute; shall take certain preventive actions and if pollution occurs, lessee shall make appropriate notifications and shall be liable for cleanup.	1.U.S. Continental Shelf Lands.
1723 Disaster Relief Act of 1970 (94 Stat. 1744)	The President Director, Office of Emergency Preparedness per E.O. 11579, Dec. 31, 1970	1. To declare a major disaster at the request of a governor of a State. 2. If declared, to direct Federal agencies to assist by: (a)Using or lending, with or without compensation, to State & local governments, equipment, supplies, facilities, personnel, etc., other than extension of credit under any act; (b)Performing, on public or private land, work to preserve life and property; clear debris and wreckage; provide temporary housing or emergency shelters; or make emergency repair and temporary replacements to public facilities of State and local governments. 3. OEP can give direct financial assistance to State and local governments for items in 2 above. 4. OEP can also provide assistance in the event of an imminent disaster.	(1) major disaster areas as declared by President. (2) U.S., its territories and possessions.
1724 14 U.S.C. 81 et seq.	U.S.C.G.	1.To aid distressed persons & protect property, Sec. 81(b) in USNW and on the high seas. 2.To establish, maintain & operate aids to maritime navigation in USNW, waters above the U.S. continental shelf and other specified areas. 3.To mark for protection of navigation any wreck in USNW [Sec. 86] not properly marked by owner [33 U.S.C. 409]	
1725 14 U.S.C. 141(a)	U.S.C.G.	1.On request may use personnel & facilities to assist any government agency to perform any activity for which such personnel are especially qualified.	1. Limited only by international law re. Territorial waters.
1726 Magnuson Act (50 U.S.C. 191)	Designated U.S.C.G. Officers (33 CFR 6) when directed by Executive Order (presently implemented by E.O. 10173 as amended)	1.Prevent anything from being placed on board any vessel or waterfront facility as defined in 33 CFR 6.01-4, when necessary to prevent damage to U.S. waters. 2.Establish security zones into which no person or vessel may enter or take anything. 3.Control vessel movement & take full or partial possession or control of any vessel when necessary to prevent danger to U.S. waters. 4.Prevent mooring to or connel shifting of any vessel from waterfront facility if it endangers such vessel, other vessels, harbor, any facility therein because conditions exist in or about waterfront - not limited to fire hazards and unsatisfactory operations.	1. U.S. Territorial waters

RULES AND REGULATIONS

1727	Dangerous Cargo Act (46 USC 170)	U.S.C.G.	1. Authority to establish regulations for handling, storage, storage and use of dangerous articles or substances on board vessels. 2. Authority to establish regulations for disposing of dangerous articles or substances found to be in an unsafe condition.	U.S. Territorial Waters.
****	****	****	****	****
1728	Tank Vessel Act (46 USC 391a)	U.S.C.G.	1. Authority to establish additional rules for provision against hazards of life and property created by vessels having on board inflammable or combustible liquid cargo in bulk.	U.S. Territorial Waters.
****	****	****	****	****
1729	Ports & Waterways Safety Act of 1972 (PL 92-340)	U.S.C.G. SLSDC	1. Authority to operate vessel traffic services, direct vessel movement, prescribe safety equipment requirements, establish safety zones, investigate accidents that affect environmental quality of the navigable waters and regulate vessels carrying hazardous substances in bulk.	U.S. Territorial Waters (excludes waters of Panama Canal for Title I)
****	****	****	****	****

1750 Treaties and International Conventions

TITLE	PARTIES	SUBSTANCE OF AGREEMENT	TERRITORIAL APPLICATION
1751 Treaty re. Reciprocal Rights in Conveyance of Prisoners and Wrecking & Salvage (35 Stat. 2035, TS 502)	U.S. - Great Britain signed for Canada (1908)	1. Vessels & wrecking equipment of U.S. or Canada permitted to salvage wrecks, render aid to vessels in distress or disabled across the international boundary line.	1. In portion of St. Lawrence River through which boundary line passes. 2. Lakes Ontario, Erie, St. Clair, Huron, Superior. 3. Niagara, Detroit, St. Clair & St. Marie River. 4. Canals at Sault Ste. Marie. 5. Shores & territorial waters on Pacific & Atlantic within 30 miles of boundary line.
****	****	****	****
1752 Boundary Waters Treaty (35 Stat. 2448, TS 548)	U.S. - Great Britain signed for Canada (1909)	1. Established International Joint Commission with jurisdiction over all cases re. use, obstruction or diversion of waters including water pollution. No mechanism for enforcement directly by Commission findings & recommendations reported to respective governments for enforcement action within its territorial limits.	1. U.S. - Canadian boundary waters.
****	****	****	****
1753 Treaty to Facilitate Assistance to & Salvage of Vessels in Territorial Waters (49 Stat. 3359, TS 905)	U.S. - Mexico (1936)	1. Vessels & rescue apparatus, public & private, may aid vessels and crew of its own nationality, when disabled or in distress. 2. Captain, master or owner of rescue vessel of either country must notify that country when entering or intending to enter territorial waters of the other country as early as possible and may freely proceed with rescue unless advised by the other country that adequate assistance is available or for any other reason rescue is not necessary.	1. On shores or within territorial waters of the other nation - (a) within 720 mile radius of intersection of international boundary line & Pacific Coast or (b) within 200 miles radius of intersection of international boundary line & coast of Gulf of Mexico.
****	****	****	****
1754 Convention of High Seas (1958) TIAS 5200 (13 U.S.T. 2312)	U.S. (1962)-Denmark, Finland, Italy, Japan, Mexico, Netherlands, U.K., USSR, Inter alia.	1. Article XXIV - Member nations responsible for drafting regulations to prevent pollution of seas by oil. 2. Article XXV - same for radioactive wastes & other harmful agents by vessels under its control.	High Sea
****	****	****	****
1755 Geneva Convention on Territorial Sea & Contiguous Zone (1958) (15 U.S.T. 1606) (TIAS 5629)	U.S. (1964)-Denmark, Finland, Italy, Japan, Netherlands, U.K., USSR, Inter alia.	1. To exercise necessary controls to prevent infringement of nations sanitary regulations within its territory or territorial sea.	1. Not to exceed 12 miles outward from the baseline from which the territorial sea is measured.
****	****	****	****
1756 Convention on Continental Shelf (1958) (TIAS 5578) (15 U.S.T. 471)	U.S. (1964)-Denmark, Finland, France, Mexico, Netherlands, U.K., USSR, Inter alia.	Coastal government has: exclusive & sovereign right to explore and exploit natural resources of the Shelf as long as it does not unjustifiably interfere with navigation, fishing or conservation of living sea resources nor with fundamental oceanographic or other scientific research destined for open publication.	U.S. Continental Shelf - 200 meter isobath curve contiguous to land or to a depth that admits of the exploitation of said area.
****	****	****	****
1757 Convention for Prevention of Pollution by Sea by Oil, (1954) (12 U.S.T. 2889; (1962) amended 17 U.S.T. 1523)	U.S. (1961)-Belgium, Denmark, Finland, France, West Germany, Greece, Italy, Japan, Liberia, Mexico, Netherlands, Nigeria, Norway, Panama, Spain, Sweden, U.K., Inter alia.	1. To prevent discharge or escape of oily substances by sea-going vessels - See Oil Pollution Act of 1961 as amended in 1966 for U.S. implementation. (33 U.S.C. 1001-1015) (Note: Oily substance is defined as persistent oil) 2. Maintenance of Oil Record Book.	1. Prohibited zone: All seas within 50 miles from nearest land (baseline from which territorial sea is established) and other areas as defined in the convention.

ANNEX VIII—1800 DOCUMENTATION AND COST RECOVERY

1801 Introduction.

1801.1 The OSC in charge at the scene of a discharge may be from any one of several agencies; it is necessary, therefore, to establish uniform procedures for collection of samples and information consistent with the several phases in Federal response operations. Necessary information and sample collection must be performed at the proper times during the Federal involvement in removal operations for the purpose of later use in identifying the party responsible for removal cost recovery. Time is of great importance since wind, tide and current may disperse or remove the evidence. Additionally, witnesses may no longer be available. Thus, during the response phases, the OSC must take the necessary action to ensure that information, records, and samples adequate for legal and research purposes are obtained and safeguarded for future use. Additional guidance can be found in EPA's "Field Detection and Damage Assessment Handbook".

1802 Notification of Counsel.

1802.1 Immediately upon notification that a discharge has occurred, the RRT or NRT members, as appropriate, shall notify their respective regional and departmental attorneys, as provided herein and as detailed in regional plans.

1802.2 Coordination of appropriate counsel will be effected by counsel of the Department responsible for furnishing the OSC. Coordination will be for joint and several actions concerning legal matters regarding the operation and the Plan and for advising the owner or operator that a determination has been made under subsection 311(c)(1) of the Act that removal is not being properly accomplished.

1802.3 The information and reports obtained by the OSC are to be transmitted to the RRC. Copies will then be forwarded to the NRC, members of the RRT, and others, as appropriate. The representative of the Agency on the RRT having cost recovery authority will then refer copies of the pollution reports to his respective agency counsel.

1803 Legal notice to suspected discharger.

1803.1 The owner, operator, or other appropriate responsible person shall be notified of Federal interest and potential action in a pollution discharge by the agency furnishing the OSC. This notice shall include advice of the owner or operator's liability for proper removal of the discharge in accordance with section 311(f) of the Act; the need to perform removal in accordance with existing Federal and State statutes and regulations, and this Plan; and identification of the OSC.

1804 Sample collection procedures to be followed by OSC.

1804.1 Several precautions must be observed when taking and handling liquid samples for analyses as the character of the sample may be affected by a number of common conditions. These precautions concern the following: (a) The composition of the container; (b) cleanliness of the container; and (c) manner in which the sample is taken.

1804.2 In taking such samples, the following procedures are to be followed in all cases:

1804.2-1 Glass or other appropriate containers of suitable size shall be used. The portion of the closure (sealing gasket or cap liner) which may come into contact with the sample in the container is of considerable importance. When oil or petroleum hydrocarbons are to be sampled, the closure should be made of glass, aluminum foil, or teflon. Pollutants other than oil may require special precautions such as jacketing of glass containers or different closure material. The

analysis laboratory should be consulted whenever a question arises as to the appropriateness of any packaging material.

1804.2-2 Previously unused containers are preferred. Containers that have been cleaned with a strong detergent, thoroughly rinsed and dried may be used.

1804.2-3 Some explanatory notes covering the above procedures are as follows: (a) Glass or other appropriate containers always must be used because plastic containers, with the exception of teflon, have been found in some cases to absorb organic materials from water and, in other cases, compounds have been dissolved from plastic containers; (b) as it is desirable to take a large sample of the pollutant, proper skimming techniques should be used to obtain a sufficient amount of oil for analysis; and, (c) because pollution conditions change rapidly, samples should be taken promptly, and the time sequences and locations noted.

1804.2-4 Consult with the analysis laboratory personnel relative to special samples and unusual problems.

1804.2-5 Samples collected are to be transmitted for analysis, using special courier or registered mail (return receipt requested) and observing the procedures outlined below. Appropriate analytical laboratories are designated in the regional plan. Reports of laboratory analysis will be forwarded to the appropriate RRT for transmittal to counsel.

1805 Photographic records.

1805.1 Photographs should be taken to show the source and the extent of pollution, if possible, using both color and black and white film. The following information should be recorded on the back of each photographic print: (a) Name and location of vessel or facility; (b) date and time the photo was taken; (c) names of the photographer and witnesses; (d) shutter speed and lens opening; and (e) type of film used and details of film processing. (The immediate developing type of photographic process may be of major assistance to the less-than-professional photographer by allowing on-the-spot inspection of results and "retakes" as needed to obtain an acceptable photograph.)

ANNEX IX—1900 FUNDING

1901 General.

1901.1 The primary thrust of this Plan is to encourage the person responsible for a discharge to take appropriate remedial actions promptly. Usually this will mean that the cost of removal of the discharge shall be borne by the person responsible for the discharge. The OSC and other officials associated with the handling of a pollution emergency shall make a substantial effort to have the discharger voluntarily accept this responsibility.

1901.2 If the discharger does not voluntarily act promptly to remove the discharge of oil or hazardous substances, Federal discharge removal actions may be initiated pursuant to section 311(c)(1) of the Act. The discharger, if known, is liable for the reasonable costs of such Federal removal actions in accordance with section 311(f) of the Act.

1901.3 Actions undertaken by the Primary Agencies in response to pollution emergencies shall be carried out under existing programs and authorities insofar as practicable.

1901.4 It is not envisioned that any Federal agency will make resources available, expend funds or participate in operations in connection with pollution emergency operations unless such agency can so respond in conformance with its existing authority. Authority to expend resources will be in accordance with agencies' basic statutes and, if required, through cross-servicing agreements.

1901.5 This Plan encourages interagency agreements whenever specific reimbursement agreements between Federal agencies are deemed necessary to ensure that the Federal resources will be available for a timely response to a pollution emergency.

1902 Funding responsibility.

1902.1 The funding of removal actions necessitated by a discharge from a Federally operated or supervised facility is the responsibility of the operating or supervising agency.

1902.2 Funding of response actions not associated with the removal activity, such as scientific investigations, law enforcement or public relations, is the responsibility of the agency having statutory or executive responsibility for those specific actions.

1903 Agency funding.

1903.1 The Environmental Protection Agency can provide funds to insure timely initiation of discharge removal actions in those instances where the OSC is an EPA representative. Funding of continuing Phase III and IV actions, however, shall be determined on a case-by-case basis by the Division of Oil and Hazardous Materials at EPA. Inasmuch as EPA does not have funds provided for this purpose by statute or regulation, initiation of Phase III and IV activities is funded out of operating program funds.

1903.2 The U.S. Coast Guard pollution control efforts are funded under "Operating Expenses." These funds are utilized in accordance with agency directives and applicable regional plans.

1903.3 The Department of Defense has two specific sources of funds which may be applicable to a pollution incident under appropriate circumstances. (This does not consider military resources which might be made available under specific conditions.)

1903.3-1 Funds required for removal of a sunken vessel or similar obstruction to navigation are available to the Corps of Engineers through Civil Functions Appropriations, Operations and Maintenance, General.

1903.3-2 The U.S. Navy has funds available on a reimbursable basis to conduct salvage operations.

1904 Disaster relief funds.

1904.1 Certain pollution control emergency response activities may qualify for reimbursement as disaster relief functions. In making a declaration of a "major disaster" for a stricken area, the President may allocate funds from his Disaster Relief Fund, administered by the Director, Office of Emergency Preparedness. After the President has declared a "major disaster" and authorized allocation of funds, the Director may authorize certain reimbursements to Federal agencies for disaster assistance provided under direction of his office. Applicable policies and procedures are stated in Title 32, Chapter XVII, Part 1709, "Reimbursement of Other Federal Agencies Performing Major Disaster Relief Functions".

1904.2 In addition to the authority provided for actions taken subsequent to the declaration of a "major disaster", if the President determines that a major disaster is imminent, he is authorized pursuant to section 221, PL 91-606 to use the resources of the Federal Government to avert or lessen the effects of such disaster before its actual occurrence.

1904.3 The Director, OEP, may also make financial assistance available to State governments and through the States to local governments in accordance with policies and procedures stated in Title 32, Chapter XVII, Part 1710, "Federal Disaster Assistance".

1905 Pollution revolving fund.

1905.1 A pollution revolving fund, administered by the Commandant, USCG, has

been established pursuant to subsection (k) of section 311 of the Act. Regulations governing the administration and use of the fund are contained in 33 CFR 153.301-153.319.

1905.2 Pursuant to section 311(c)(3)(H) of Public Law 92-500, the State or States affected by a discharge of oil or hazardous substance may act where necessary to remove such discharge and may, pursuant to regulations which the Commandant, USCG, may prescribe, be reimbursed from the fund for the reasonable costs incurred in such removal.

1905.2-1 Removal by a State is necessary when the OSC determines that the owner or operator of the vessel, onshore facility, or offshore facility from which the discharge occurs does not effect removal properly and that:

1905.2-1.1 State action is required to minimize or mitigate significant damage to the public health or welfare which Federal action cannot minimize or mitigate, or

1905.2-1.2 Removal or partial removal can be effected by the State at a cost which is not significantly greater than the cost which would be incurred by the Federal departments or agencies.

1905.2-2 Notwithstanding the above, State removal actions are not necessary if not in compliance with Annex X of this Plan.

1905.2-3 State removal operations are considered to be Response Phase III or Response Phase IV actions to the extent that the same operations undertaken by a Federal agency would be so considered.

1905.2-4 When supervised by the State agency designated pursuant to § 1510.23(a) of this Plan, removal operations of a local government are considered to be actions of the State for purposes of this section.

1906 Obligations of funds.

1906.1 Care must be exercised to ensure that misunderstandings do not develop about reimbursement of funds expended for removal activities. The OSC should not knowingly request services for which reimbursement is mandatory unless reimbursement funds are known to be available. Similarly, the agency supplying a reimbursable service should determine the source of reimbursement before committing resources necessitating reimbursement.

1906.2 OSC shall exert adequate control of removal operations so that he can certify that reimbursement from the fund is appropriate.

1906.3 Detailed instructions on utilization of the fund are contained in USCG Comptroller Manual.

1907 Planning.

1907.1 The availability of funds and requirements for the reimbursement of expenditures by certain agencies must be included in resource utilization planning. Regional and subregional contingency plans should show what resources are available under what conditions and cost arrangements.

1907.2 Local interagency agreements may be necessary to specify when reimbursement is required.

ANNEX X—2000 SCHEDULE OF CHEMICALS TO REMOVE OIL & HAZARDOUS SUBSTANCES DISCHARGES

2001 General.

2001.1 This Schedule shall apply to the waters of the United States and adjoining shorelines, and the waters of the contiguous zone.

2001.2 This Schedule applies to the use of any chemicals as hereinafter defined that may be used to remove oil and remove or neutralize hazardous substances discharges.

2001.3 This Schedule advocates development and utilization of mechanical and other control methods that will result in removal of oil and hazardous substances discharges from the environment with subsequent proper disposal.

2001.4 It is the intent of this Schedule that no harmful quantities of any substances be applied to the waters to remove or neutralize the effects of oil or hazardous substances discharges.

2001.5 Relationship of the Environmental Protection Agency to other Federal and State agencies in implementing this Schedule: In those States with more stringent laws, regulations or written policies regulating chemical use, such State laws, regulations or written policies shall govern.

2001.6 It has been determined that because of the overriding need for prompt initiation of discharge removal actions, no formal permit as provided for by section 402 of the Act, shall be required before application of chemicals to mitigate the effects of a discharge. The provisions of § 1510.21(g) of this Plan shall apply.

2002 Definitions. Substances applied to oil or floating hazardous substances discharges are defined as follows:

2002.1 Collecting agents—are those substances that concentrate, congeal, entrap, fix, gel, or make the pollutant mass more rigid or viscous in order to facilitate removal from the water's surface.

2002.2 Sinking agents—are those substances that can physically sink the pollutant below the water's surface.

2002.3 Chemical agents—are those elements, compounds or mixtures that disperse, dissolve, emulsify, neutralize, precipitate, oxidize or reduce the pollutant on the water's surface or in the water column.

2003 Collecting agents—are considered to be generally acceptable providing that these materials do not in themselves or in combination with the pollutant increase the environmental hazard.

2003 Collecting Agents—may be used only when authorized by the On-Scene Coordinator on a case by case basis. The OSC can authorize that use only after considering the effects on the performance of the collecting agent of ambient temperatures, wind, wave action, debris and other foreign material in the water, type of oil, and availability of removal operations to remove the collected oil. Technical guidance on application techniques and dosage rates will be provided by EPA.

2004 Sinking Agents—shall not be used for oil and hazardous substances pollution control.

2005 Authorities controlling use of chemical agents.

2005.1 Major and medium discharges. Chemical Agents may be used in any place, at any time, and in quantities designated by the On-Scene Coordinator, when their use will:

2005.1-1 In the judgement of the OSC, prevent or substantially reduce hazard to human life or limb or substantially reduce explosion or fire hazard to property;

2005.1-2 In the judgement of EPA, in consultation with appropriate State agencies, prevent or reduce substantial hazard to a major segment of the population(s) of vulnerable species of waterfowl; and,

2005.1-3 In the judgement of EPA, in consultation with appropriate State agencies, result in the least overall environmental damage, or interference with designated water uses.

2005.2 Minor discharge. The provisions of section 2005.1-1 shall apply. The use of chemical agents in any other situation shall be subject to this Schedule except in States where State laws, regulations, or written

policies that govern the prohibition, use, quantity, or type of chemical are in effect. In such States, the State laws, regulations or written policies shall be followed during the removal operation.

2006 Restrictions on use of chemical agents for pollution control purposes. Except as noted in 2005.1 above, chemical agents shall not be applied to the waters to remove discharges:

2006.1 of distillate fuel oils;
2006.2 of less than 200 barrels of oil;
2006.3 from any beach;

2006.4 in waters less than 100 feet deep;
2006.5 in waters, identified in regional plans, containing major populations, or breeding or passage areas of species of fish or marine life which may be damaged or rendered commercially less marketable by exposure to chemical agents or dispersed pollutants.

2006.6 in waters where winds and/or currents are of such velocity and direction that chemically treated mixtures would likely, in the judgement of EPA, be carried to shore areas within 24 hours; or

2006.7 on any waters where such use may affect surface drinking water supplies.

2007 Chemical agent use. Chemical agents may be used for removal of oil discharges in accordance with this Schedule if other control methods are judged to be inadequate or infeasible, and if:

2007.1 Technical information on the physical, chemical, and toxicity characteristics of the chemical agents has been submitted in duplicate to the DOHM, EPA, Washington, D.C., 20460, at least 60 days prior to the chemical agent's use. The submission shall include the information required in sections 2007.3 and 2007.4 as well as dispersant effectiveness and toxicity data obtained in accordance with the EPA standard analytical procedures specified in "Standard Dispersant Effectiveness and Toxicity Test" (EPA R2-73-201, May 1973).

2007.2 Information furnished in accordance with section 2007.1 shall be maintained on file by EPA to provide technical guidance to pre-designated OSC's on the acceptable circumstances of use and dosage rates for the chemical agent(s).

2007.3 Chemical agent containers shall be labeled with the following information:

2007.3-1 Name, brand or trademark, if any, under which the chemical agent is sold;
2007.3-2 Name and address of the manufacturer, importer or vendor;
2007.3-3 Flash point;
2007.3-4 Freezing or pour point;
2007.3-5 Viscosity;
2007.3-6 Special handling, storage or worker safety precautions;
2007.3-7 Recommend application procedure(s), concentration(s), and conditions for use depending upon water salinity, water temperature, and types and ages of the pollutants; and

2007.3-8 Date of production and shelf life.
2007.4 Information to be supplied to EPA:

2007.4-1 Chemical agent name and percentage of each component;
2007.4-2 Specific gravity;
2007.4-3 Solubility in fresh or salt waters at 15°C;

2007.4-4 Concentrations of potentially hazardous trace materials, including, but not necessarily being limited to arsenic, chromium, copper, lead, mercury, nickel or zinc, or chlorinated hydrocarbons; and

2007.4-5 Description of the analytical methods employed and results obtained in determining the chemical and biological characteristics of the chemical agent. This information shall be described in an official report from a recognized laboratory.

2007.5 For purposes of research, development and demonstration, EPA may authorize use of chemicals in specified amounts and

locations under controlled conditions irrespective of the provisions of this Schedule. Guidelines have been published (FEDERAL REGISTER, Vol. 36, No. 75, April 17, 1971) for this purpose.

Note: In addition to those agents defined and described in section 2002 above, the following materials which are not a part of this Schedule, with cautions on their use, should be considered:

1. **Biological agents**—are microbiological cultures or enzymes or nutrient additives that are deliberately introduced into an oil or hazardous substance spill for the specific purpose of encouraging or speeding biodegradations to mitigate the effects of a spill. These agents may be used only when such use is the most desirable technique for removing oils or hazardous substances and only after obtaining approval from the appropriate state and local public health and water pollution control officials. Biological agents may be used only when a listing of organisms or other ingredients contained in the agent is provided to EPA in sufficient time for review before its use.

2. **Burning agents**—are those materials which, through physical or chemical means, improve the combustibility of the materials to which they are applied. Burning agents may be used and are acceptable so long as they do not in themselves, or in combination with the material to which they are applied, increase the pollution hazard and their use is approved by appropriate Federal, State and local fire prevention officials.

ANNEX XI—2100 NON-FEDERAL INTERESTS
2101 *General policy.*

2101.1 The policy of the Federal government is to initiate discharge removal operations when required and action is not being taken by the discharger or other private or public organization.

2110 *Planning and preparedness.*

2110.1 The planning and preparedness functions incorporated in regional contingency plans also apply to non-Federal resources. The State and local governments and private interests are to be encouraged to participate in Regional planning and preparedness functions.

2110.2 State and local government agencies are encouraged to include contingency planning for discharge removal in existing and future emergency and disaster planning activities. States are invited to provide observers to the planning activities of the appropriate RRT. (§1510.34(c) of the Plan)

2120 *Pollution emergency response operations.*

2120.1 State agencies may be reimbursed from the fund established by section 311(k) of the Act for reasonable costs incurred in the removal of oil and hazardous substances discharges from the waters and shorelines of the United States. The procedures to be followed are detailed in section 1905, Annex IX of this part.

2120.2 Regional Contingency Plans should provide for coordination with local government organizations such as county and city or town governments. This is especially important for purposes of traffic control, land access and disposal of pollutants removed in response operations.

2130 *Volunteers.*

2130.1 In many pollution emergency situations in the coastal areas, volunteers desiring to assist in mitigating the effects of the pollution discharge response effort present themselves at the scene. Regional contingency plans should provide for this possibility and through the direct participa-

tion of State observers in plan development, should establish procedures that will result in organized and worthwhile employment of these persons.

2130.2 Regional plans should provide for the organization and directing of volunteers by USCG, other Federal, local or State officials knowledgeable in contingency operations and capable of providing mature, responsive and practical leadership.

2130.3 Regional plans should also provide specific areas in which volunteers should be used such as: Beach surveillance, logistical support, bird and other wildlife treatment and scientific investigations. Normally they should not be used for physical removal of pollutants. Specifically, if a substance is toxic to humans, volunteers should not be permitted at on-scene operations.

2130.4 Information for and education of volunteer personnel on general contingency operations and procedures as well as specific details of the discharge is mandatory if response efforts are to be effective and conclusive. Regional plans should provide for this volunteer education and training program for rapid, on-site use.

2130.5 During contingency plan operations, information on the discharge and removal efforts should be provided to volunteers frequently to insure coordinated effort and a sense of meaningful participation.

ANNEX XV—2500 TECHNICAL INFORMATION

2501 *Technical Library.*

2501.1 A technical library of pertinent pollution control technical documents will be maintained in the NRC and in each RRC. Such information should be useful as reference information to the experienced OSC and instructional to less experienced personnel.

2502 *Specific references.*

2502.1 As a minimum the following reference documents will be maintained in the NRC and in each RRC technical library.

2502.1-1 Current National Oil and Hazardous Substances Pollution Contingency Plan.

2502.1-2 Current Regional and State Oil and Hazardous Substances Pollution Contingency Plan.

2502.1-3 Current Directory of the American Council of Independent Laboratories.

2502.1-4 The Encyclopedia of Geochemistry and Environmental Sciences, Vol. IVA—Fairbridge; Van Nostrand Reinhold Company, New York, 1972.

2502.1-5 Encyclopedia of Chemical Technology, Vol. 18; Kirk-Othmer, Interscience Publishers, 1969.

2502.1-6 Control of Spillage of Hazardous Polluting Substances; USDOJ, FWQA Publication 15090 FOZ, October 1970.

2502.1-7 "Regulations, Practices and Plans for the Prevention of Spills of Oil and Hazardous Polluting Substances"; Vol. I, (EPA Report OHM 75-05-002).

2502.1-8 Chemical Data Guide for Bulk Shipment by Water (U.S. Coast Guard CG-388).

2502.1-9 "The Restoration of Oil Contaminated Beaches" (USDOJ-FWPCA Publication 15080 EOS, March 1970).

2502.1-10 U.S. Corps of Engineers' Regulations ER 500-1-1 and ER 500-1-8 Emergency Employment of Army Resources (Natural Disaster Activities).

2502.1-11 Natural Disaster Manual for State and Local Applicants (OEP Circular 4000.4A, 1968).

2502.1-12 Handbook for Federal Agency Inspectors (OEP Circular 4000.6A, February 1969).

2502.1-13 Handbook of Toxicology (National Academy of Sciences/National Research Council).

2502.1-14 Character and Control of Sea Pollution by Oil (American Petroleum Institute, October 1963).

2502.1-15 Manual for the Prevention of Water Pollution During Marine Oil Terminal Transfer Operations (American Petroleum Institute, 1964).

2502.1-16 46 CFR Part 146, Transportation or Storage of Explosives or other Dangerous Articles or Substances, and Combustible Liquids on Board Vessels.

2502.1-17 33 CFR, Parts 3, 6, 121, 122, 124-6, Security of Vessels and Waterfront Facilities (USCG CG 239).

2052.2 In addition to the library specified above, the RRC should have provision, either in publications or by computer terminal, for access to the EPA Technical Assistance Data System (TADS) and the USCG Chemical Hazard Response Information System (CHRIS) when these systems are available.

2503 *Definitions of terms.*

2503.1 **API Gravity.** An empirical scale for measuring the density of liquid petroleum products, the unit being called the "degree API".

2503.2 **Ash.** Inorganic residue remaining after ignition of combustible substances determined by definite prescribed methods.

2503.3 **Asphalts.** Black, solid or semisolid bitumens which occur in nature or are obtained as residues during petroleum refining.

2503.4 **Bilge Oil.** Waste oil which accumulates, usually in small quantities, in the lower spaces in a ship, just inside the shell plating. Usually mixed with larger quantities of water.

2503.5 **Blowout.** A sudden violent escape of gas and oil from an oil well when high pressure gas is encountered and preventive measures have failed.

2503.6 **Boiling Point.** The temperature at which the vapor pressure of a liquid is equal to the pressure of the atmosphere.

2503.7 **Bunker "C" Oil.** A general term used to indicate a heavy viscous fuel oil.

2503.8 **Bunker Fuel.** A general term for heavy oils used as fuel on ships and in industry. It often refers to No. 5 and 6 fuel oils.

2503.9 **Bunkering.** The process of fueling a ship.

2503.10 **Coker Feed (or fuel).** A special fuel oil used in a coker furnace, one of the operating elements of a refinery.

2503.11 **Conversion tables.**

Knowing	Gallon U.S.	Multiply by factor below to obtain			
		Barrel U.S.	Gallon imperial	Cubic feet	Litre
Gallon (U.S.).....	1.000	0.023810	0.83268	0.13368	3.7853
Barrel.....	*42.0	1.0000	34.9726	5.6146	158.984
Gallon (Imp.).....	1.2009	0.02559	1.000	0.1605	4.546
Cubic Feet.....	7.4805	0.1781	6.2286	1.000	28.316
Litres.....	0.2641	0.00629	0.2199	0.03532	1.000
		Pound	Ton (short)	Ton (long)	Ton (metric)
Pounds.....	1.00	1.00050	0.000454	0.000454	0.00045359
Ton (Short).....	*2000.0	1.0000	0.89286	0.90718	0.90718
Ton (Long).....	*2240.0	1.120	1.000	1.0000	1.0160
Ton (Metric).....	2204.6	1.1023	0.98421	1.000	1.000

One Hectolitre equals 100 Litre.
One Ton (Metric) equals 1000 Kilograms.
Conversions marked (*) are exact by definition.

2503.12 Approximate conversions.

Material	Barrels Per Ton (Long)
crude oils.....	6.7-8.1
aviation gasolines.....	8.3-9.2
motor gasolines.....	8.2-9.1
kerosenes.....	7.7-8.3
gas oils.....	7.2-7.9
diesel oils.....	7.0-7.9
lubricating oils.....	6.8-7.6
fuel oils.....	6.6-7.0
asphaltic bitumens.....	5.9-6.5

(As a general rule-of-thumb use 6.5 barrels or 250 gallons per ton of oil.)

2503.13 *Crude oil*. Petroleum as it is extracted from the earth. There may be several thousands of different substances in crude oil, some of which evaporate quickly while others persist indefinitely. The physical characteristics of crude oils may vary widely. Crude oils are often identified in trade jargon by their regions of origin. This identification may not relate to the apparent physical characteristics of the oil. Commercial gasoline, kerosene, heating oils, diesel oils, lubricating oils, waxes, and asphalts are all obtained by refining crude oil.

2503.14 *Demulsibility*. The resistance of an oil to emulsification, or the ability of an oil to separate from any water with which it is mixed. The better the demulsibility rating, the more quickly the oil separates from water.

2503.15 *Density*. Density is the term meaning the mass of a unit volume. Its numerical expression varies with the units selected.

2503.16 *Emulsion*. A mechanical mixture of two liquids which do not naturally mix as oil and water. Water-in-oil emulsions have the water as the internal phase and oil as the external. Oil-in-water emulsions have water as the external phase and the internal phase is oil.

2503.17 *Fire Point*. The lowest temperature at which an oil vaporizes rapidly enough to burn for at least 5 seconds after ignition, under standard conditions.

2503.18 *Flash Point*. The lowest temperature at which an oil gives off sufficient vapor to form a mixture which will ignite, under standard conditions.

2503.19 *Fraction*. Refinery term for a product of fractional distillation having a restricted boiling range.

2503.20 *Fuel oil grade*. Numerical ratings ranging from 1 to 6. The lower the grade number, the thinner the oil is and the more easily it evaporates. A high number indicates a relatively thick, heavy oil. No. 1 and No. 2 fuel oils are usually used in domestic heaters, and the others are used by industry and ships. No. 5 and 6 oils are solids which must be liquified by heating. Kerosene, coal oil, and range oil are all No. 1 oil. No. 3 fuel oil is no longer used as a standard term.

2503.21 *Innage*. Space occupied in a product container.

2503.22 *In personem*. An action in personem is instituted against an individual, usually through the personal service of process, and may result in the imposition of a liability directly upon the person of a defendant.

2503.23 *In rem*. An action in rem is one in which the vessel or thing itself is treated as offender and made defendant without any proceeding against the owners or even mentioning their names. The decree in an action in rem is enforced directly against the res by a condemnation and sale thereof.

2503.24 *Load on top*. A procedure for ballasting and cleaning unloaded tankers without discharging oil. Half of the tanks are first filled with seawater while the others are

cleaned by hosing. Then oil from the cleaned tanks, along with oil which has separated out in the full tanks, is pumped into a single slop tank. The clean water in the full tanks is then discharged while the freshly-cleaned tanks are filled with seawater. Ballast is thus constantly maintained.

2503.25 *Oil films*. A slick thinner than .0001 inch and may be classified as follows:

Standard Term	Gallons of Oil Per Square Mile	Appearance
"barely visible".....	25	barely visible under most favorable light conditions
"silvery".....	50	visible as a silvery sheen on surface water
"slightly colored".....	100	first trace of color may be observed
"brightly colored".....	200	bright bands of color are visible
"dull".....	666	colors begin to turn dull brown
"dark".....	1332	Much darker brown

NOTE: Each one-inch thickness of oil equals 5.61 gallons per square yard or 17,378,709 gallons per square mile.

2503.26 *Outage*. Space left in a product container to allow for expansion during temperature changes it may undergo during shipment and use. Measurement of space not occupied.

2503.27 *pH*. Term used to express the apparent acidity or alkalinity of aqueous solutions; values below 7 indicate acid solutions and values above 7 indicate alkaline solutions.

2503.28 *Pour Point*. The lowest temperature at which an oil will flow or can be poured under specified conditions of test.

2503.29 *Residual oil*. A general term used to indicate a heavy viscous fuel oil.

2503.30 *Scuppers*. Openings around the deck of a vessel which allow water falling onto the deck to flow overboard. Should be plugged during fuel transfer.

2503.31 *Sludge oil*. Muddy impurities and acid which have settled from a mineral oil.

2503.32 *Specific gravity*. The ratio of the weight of a given volume of the material at a stated temperature to the weight of an equal volume of distilled water at a stated temperature.

2503.33 *Spontaneous ignition temperature (S.I.T.)*. The temperature at which an oil ignites of its own accord in the presence of air oxygen under standard conditions.

2503.34 *Stoke*. The unit of kinematic viscosity.

2503.35 *Tonnage*. There are various tonnages applied to merchant ships. The one commonly implied is gross tonnage although in these days tankers and other bulk-carriers are often referred to in terms of deadweight.

2503.35-1 *Gross tonnage*. 100 cubic feet of permanently enclosed space is equal to one gross ton—nothing whatever to do with weight. This is usually the registered tonnage although it may vary somewhat according to the classifying authority or nationality.

2503.35-2 *Net tonnage*. The earning capacity of a ship. The gross tonnage after deduction of certain spaces, such as engine and boiler rooms, crew accommodation, stores, equipment, etc. Port and harbor dues are based on this tonnage.

2503.35-3 *Displacement tonnage*. The actual weight in tons, varying according to whether a vessel is in light or loaded condition. Warships are always spoken of by this form of measurement.

2503.35-4 *Deadweight tonnage*. The actual weight in tons of cargo, stores, etc., required

to bring a vessel down to her load line, from the light condition. Cargo deadweight is, as its name implies, the actual weight in tons of the cargo when loaded, as distinct from stores, ballast, etc.

2503.36 *Ullage*. The amount by which a tank or vessel lacks being filled. (See also Outage)

2503.37 *Viscosity*. The property of liquids which causes them to resist instantaneous change of shape, or instantaneous rearrangement of their parts, due to internal friction. The resistance which the particles of a liquid offer to a force tending to move them in relation to each other. Viscosity of oils is usually expressed as the number of seconds at a definite temperature required for a standard quantity of oil to flow through a standard apparatus.

2503.38 *Viscous*. Thick, resistant to flow, having a high viscosity.

2503.39 *Volatile*. Evaporates easily.

ANNEX XX—3000 REGIONAL CONTINGENCY PLANS

3001 General

3001.1 Regional Contingency Plans based on the boundaries of the Standard Federal Regions have been developed for the coastal and inland waters of the U.S.

3001.2 These plans are available for review at the USCG District or EPA Regional Offices indicated below.

3002 Cross references.

3002.1 The Standard Federal Regions by States, USCG District, and EPA Regions are as follows:

States	Coast Guard District (Coastal)	EPA Region (Inland)
(REGION I)		
Maine.....	1st ¹	Region I
New Hampshire.....	1st.....	"
Vermont.....	.....	"
Massachusetts.....	1st.....	"
Connecticut.....	3rd.....	"
Rhode Island.....	1st.....	"
(REGION II)		
New York (Coastal Area).....	3rd ¹	Region II
(Great Lakes Area).....	9th.....	"
New Jersey.....	3rd.....	"
Puerto Rico.....	7th.....	"
Virgin Islands.....	7th.....	"
(REGION III)		
Pennsylvania (East Coast).....	3rd.....	Region III
(Lakeside).....	9th.....	"
Maryland.....	3rd ¹	"
Delaware.....	3rd.....	"
West Virginia.....	.....	"
Virginia.....	2th.....	"
District of Columbia.....	3rd.....	"
(REGION IV)		
Kentucky.....	.....	Region IV
Tennessee.....	.....	"
North Carolina.....	8th.....	"
South Carolina.....	7th ¹	"
Georgia.....	7th.....	"
Florida (Atlantic & Gulf Coast).....	7th.....	"
(Panhandle).....	8th.....	"
Alabama.....	8th.....	"
Mississippi.....	8th.....	"
Canal Zone.....	7th.....	"
(REGION V)		
Minnesota.....	9th ¹	Region V
Wisconsin.....	9th.....	"
Michigan.....	9th.....	"
Illinois.....	9th.....	"
Indiana.....	9th.....	"
Ohio.....	9th.....	"

States	Coast Guard District (Coastal)	EPA Region (Inland)
(REGION VI)		
New Mexico.....		Region VI
Texas.....	8th ¹	"
Oklahoma.....		"
Arkansas.....		"
Louisiana.....	8th	"
(REGION VII)		
Nebraska.....		Region VII
Iowa.....		"
Kansas.....		"
Missouri.....		"
(REGION VIII)		
Montana.....		Region VIII
Wyoming.....		"
Utah.....		"
Colorado.....		"
North Dakota.....		"
South Dakota.....		"
(REGION IX)		
California.....		Region IX
(Northern).....	12th ¹	"
(Southern).....	11th	"
Nevada.....		"
Arizona.....		"
Hawaii.....	14th	"
Guam.....		"
American Samoa.....	14th	"
Trust Territories of the Pacific.....	14th	"
(REGION X)		
Washington.....	13th ¹	Region X
Oregon.....	13th	"
Idaho.....		"
Alaska.....	17th	"

3002.2 Please refer to Annex IV for addresses and telephone numbers of appropriate EPA and USCG offices.

¹ Indicates USCG District Offices where coastal plans for Standard Regions are available.

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CODE OF FEDERAL REGULATIONS

(Revised as of April 1, 1973)

Title 24—Housing and Urban Development.....	\$6. 50
Title 26—Internal Revenue Part 1 (§§ 1.0-1—1.300).....	9. 75
Title 26—Internal Revenue (Parts 40-169).....	4. 75

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