requirement of the section that matters to be acted upon are to be set forth clearly and impartially, the Commission will regard as contrary to the section any statement or device which advocates any proposal, obscures the presentation of any proposal, misleads or confuses the security holder, bring pressure to bear upon him in the exercise of his right of choice or makes it mechanically more difficult for him to vote one way rather than another. Among the devices which the Commission will regard as contrary to the section are arguments or recommendations as to the merits of proposals, emphasis upon the management's position beyond the mere statement of the fact that the management favors or opposes a proposal, the use of arrows or any other visual device designed to direct the stockholders attention to the place on the proxy for voting one way and away from the place for voting the contrary, and the switching of boxes in order to procure the result desired by the management. [Securities Exchange Act Release No. 4185, Nov. 5, 1948]

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

NOVEMBER 5, 1948.

[F. R. Doc. 48-9925; Filed, Nov. 12, 1948; 9:13 a. m.]

TITLE 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

[Docket No. R-108; Order 143]

PART 11—ANNUAL CHARGES

PART 131—FORMS

PAYMENT AND EXEMPTION FROM PAYMENT OF ANNUAL CHARGES FOR LICENSEES

OCTOBER 26, 1948.

In this proceeding the Commission has under consideration amendments to Part 11 of Subchapter B, "Annual Charges", §§ 11.20, 11.24, and 11.27, and to Part 131 of Subchapter D, "Forms", § 131.70 (Chapter I, Title 18, Code of Federal Regulations, as amended) pursuant to authority vested in the Commission of the Federal Power Act, particularly sections 10 (e) and 309 thereof (49 Stat. 843, 858; 16 U. S. C. 803 (e), 825 (h). The proposed amendments involve principally changes in the time for filing annual statement of gross amount of power generated by licensees, makes the period of annual charge coincide with the period of power generation, and provides for additional information to be submitted by State and municipal licensees for computing the exemption to which any such licensee may be entitled under the exemption provisions of section 10 (e) of the act.

General public notice of the proposed amendment of the existing regulations, which were adopted and promulgated by the Commission's Order No. 50, effective June 1, 1938 (Chapter I, Title 18, Code of Federal Regulations), governing the payment of annual charges and exemption from payment of annual charges for licensees, has been given by publication of notice in the FEDERAL REGISTER on June 10, 1948 (13 F. R. 3134-3135), and by mailing notices to all licensees and to State and Federal regulatory agencies.

In response to the general public notice of June 10, 1948 a number of comments were filed by licensees. In general the responses indicate approval of the proposed amendments to § 11.20 since by its terms the amendments will be controlling only where licenses do not specifically provide otherwise. The proposed amendments do not disturb the amount of annual charges which any licensee is now required to pay, except that State and municipal licensees will not be billed for power used by them for State or municipal purposes provided they submit the information required by § 11.20 (b) (2).

Comments and suggestions were filed by some municipal licensees to the proposed amendments to §§ 11.24 and 131.70. Such comments and suggestions are in reality directed to the provisions of Section 10 (e) of the act and would apply as well to our existing rules and regulations. We have considered such comments and suggestions and conclude that they are inconsistent with our interpretation of the act as approved by the courts.

There have been no comments or objections to the proposed amendment to § 11.27 which grants an additional 15 days within which licensees located outside the continental limits of the United States are required to pay annual charges without the penalty provided by section 17 (b) of the act.

Upon consideration of the proposed amendments, comments and suggestions, adoption and promulgation of the proposed amendments with an effective date of January 1, 1949, appear desirable and appropriate.

The Commission, acting pursuant to authority granted by the Federal Power Act, particularly sections 10 (e) and 309 thereof, and finding such action appropriate for carrying out the provisions of said act, orders that:

Section 11.20 entitled "Cost of administration", § 11.24 entitled "Exemption of States and municipalities", and § 11.27 entitled "Payment of charges" of Part 11, "Annual Charges", Subchapter B, Regulations under the Federal Power Act, and § 131.70 entitled "Form of application by municipalities for exemption from payment of annual charges" of Part 131, "Forms," Subchapter D, Approved Forms, Federal Power Act, are hereby amended to read as follows:

§ 11.20 *Costs of administration.* Reasonable annual charges will be assessed by the Commission against individual licensees for reimbursing the United States for the costs of administration of Part 1 of the Federal Power Act as follows unless otherwise specifically provided in the license:

(a) For projects of more than 100 horsepower of installed capacity:

(1) A charge of one cent per horsepower of the horsepower capacity authorized to be installed by the license; and

(2) A charge of two and one-half cents per thousand kilowatt-hours of power generated by each project during the calendar year for which the charge is made.

(b) (1) To enable the Commission to determine such charges annually each licensee (other than State or municipal) shall file with the Commission, on or before February 1 of each year, a statement under oath showing the gross amount of power generated (or produced by non-electrical equipment) by the project during the preceding calendar year, expressed in kilowatt-hours.

(2) To enable the Commission to determine such charges annually and to compute on the bill for annual charges the exemption to which a State or municipal licensee is entitled because of the use of power by the licensee for State or municipal purposes, each State or municipal licensee shall file with the Commission, on or before February 1 of each year, a statement under oath showing the following information with respect to the power generated by the project and the disposition thereof during the preceding calendar year, expressed in kilowatt-hours:

(i) Gross amount of power generated by the project.

(ii) Amount of power used for station purposes and lost in transmission, etc.

(iii) Net amount of power available for sale or use by licensee, classified as follows:

(a) Used by licensee,

(b) Sold by licensee.

(3) When the power from a licensed project owned by a State or municipality enters into its electric system, making it impracticable to meet the requirements of subparagraph (2) of this paragraph with respect to the disposition of project power, such licensee may, in lieu thereof, furnish similar information with respect to the disposition of the available power of the entire electric system of the licensee.

(c) For projects of 100 horsepower or less of installed capacity the charge shall be $5 per annum, subject to the provisions of § 11.23.

(d) For projects involving transmission lines only the administration charge shall be a minimum of $5 per annum.

(e) For projects not covered by the above paragraphs, reasonable annual charges will be fixed by the Commission after consideration of the facts in each case.

§ 11.24 *Exemption of State and municipal licensees*—(a) *Bases for exemption.* A State or municipal licensee may claim total or partial exemption upon one or more of the following grounds:

(1) The project was primarily designed to provide or improve navigation;

(2) To the extent that power generated, transmitted, or distributed by the project was sold directly or indirectly to the public (ultimate consumer) without profit;

(3) To the extent that power generated, transmitted, or distributed by the project was used by the licensee for State or municipal purposes.

(b) *Projects primarily for navigation.* No State or municipal licensee shall be entitled to exemption from the payment of annual charges on the ground that the project was primarily designed to provide or improve navigation unless the licensee establishes that fact from the actual conditions under which the project was constructed and was operated during the calendar year for which the charge is made.

(c) *State or municipal use.* A State or municipal licensee shall be entitled to exemption from the payment of annual charges for the project to the extent that power generated, transmitted, or distributed by the project is used by the licensee itself for State or municipal purposes, such as lighting streets, highways, parks, public buildings, etc., for operating licensee's water or sewerage system, or in performing other public functions of the licensee.

(d) *Sales to public.* No State or municipal licensee shall be entitled to exemption from the payment of annual charges on the ground that power generated, transmitted, or distributed by the project is sold to the public without profit, unless such licensee shall show:

(1) That it maintains an accounting system which segregates the operations of the licensed project and reflects with reasonable accuracy the revenues and expenses of the project;

(2) That an income statement, prepared in accordance with the Commission's Uniform System of Accounts, shows that the revenues from the sale of project power do not exceed the total amount of operating expenses, maintenance, depreciation, amortization, taxes, and interest on indebtedness, applicable to the project property. Periodic accruals or payments for redemption of the principal of bonds or other indebtedness may not be deducted in determining the net profit of the project.

(e) *Sales for resale.* Notwithstanding compliance by a State or municipal licensee with the requirements of paragraph (d) of this section, it shall be subject to the payment of annual charges to the extent that electric power generated, transmitted, or distributed by the project is sold to another State, municipality, person, or corporation for resale, unless the licensee shall show that the power was sold to the ultimate consumer without profit. The matter of whether or not a profit was made is a question of fact to be established by the licensee.

(f) *Interchange of power.* Notwithstanding compliance by a State or municipal licensee with the requirements of paragraph (d) of this section, it shall be subject to the payment of annual charges to the extent that power generated, transmitted, or distributed by by the project was supplied under an interchange agreement to a State, municipality, person, or corporation for sale at a profit (which power was not offset by an equivalent amount of power received under such interchange agreement) unless the licensee shall show that the power was sold to ultimate consumers without profit.

(g) *Construction period.* During the period when the licensed project is under construction and is not generating power, it will be considered as operating without profit within the meaning of this section, and licensee will be entitled to total exemption from the payment of annual charges, except as to those charges relating to the use of a Government dam or tribal lands within Indian reservations.

(h) *Optional showing.* When the power from the licensed project enters into the electric power system of the State or municipal licensee, making it impracticable to meet the requirements set forth in this section with respect to the operations of the project only, such licensee may, in lieu thereof, furnish the same information with respect to the operations of said electric power system as a whole.

(i) *Application for exemption.* Application for exemption from payment of annual charges shall be prepared on forms prescribed by the Commission and shall be signed by an authorized executive officer or chief accounting officer of the licensee and verified under oath. An original and three copies of such application shall be filed with the Commission within the time allowed (by § 11.27) for the payment of the annual charges; *Provided, however,* That if the licensee shall within the time allowed for the payment of the annual charges file notice that it intends to file application for exemption, an additional period of 30 days is allowed within which to complete and file the application for exemption.

§ 11.27 *Payment of charges.* Annual charges shall be paid within 30 days of rendition of a bill therefor by the Commission except that licensees located outside the continental limits of the United States shall be allowed a period of 45 days after rendition of the bill.

§ 131.70 *Form of application by State and municipal licensees for exemption from payment of annual charges.* (See § 11.24 of this chapter.) Application by State and municipal licensees for exemption from payment of annual charges must be prepared on this form. The form specifies that in filing application for exemption, the following data and schedules shall be submitted:

1. Name and address of correspondent;
2. Basis for claimed exemption;
3. Generating plants owned or operated by licensee;
4. Transmission lines and distribution lines;
5. KWH of power generated, purchased and interchanged;
6. Power sold or otherwise disposed of (kwh);
7. Power interchange (in detail);
8. Statement of unusual conditions attending the disposition of electric power;
9. Book cost of electric property;
10. Operating revenues;
11. Operating expenses and other deductions from revenues;
12. Affidavit.

Copies of this form are filed with the FEDERAL REGISTER and may be obtained upon request from the Federal Power Commission, Washington 25, D. C.

The said §§ 11.20, 11.24 and 11.27 of Part 11, and § 131.70 of Part 131, as amended herein, are hereby promulgated and prescribed to become effective January 1, 1949.

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

(Secs. 10 (e), 309, 49 Stat. 843, 858; 16 U. S. C. 803 (e), 825 (h))

Date of issuance: November 5, 1948.

By the Commission. Commissioner Draper dissenting.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 48-9976; Filed, Nov. 12, 1948; 8:53 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 155—SEAFOOD INSPECTION

REPUBLICATION FOR CODIFICATION PURPOSES; MISCELLANEOUS AMENDMENTS

Correction

In F. R. Document 48-9842, appearing in the issue for Wednesday, November 10, 1948, at page 6623, change the first line in § 155.8 (b) to read, "The following processes shall be".

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 6—PROVISIONS APPLICABLE TO THE SEVERAL CLASSES OF MAIL MATTER

PACKING OF LIGHTWEIGHT (PREMIUM) KNIVES

In § 6.13 *Poisons, explosives, liquids, medicines, motion picture films* (39 CFR 6.13, 39 CFR, 1946 Supp., 6.13), add a new paragraph (f) reading as follows:

(f) (1) Lightweight knives usually weighing between ½ and 4 ounces with blades not over 10 inches in length nor 1½ inches in width may be accepted for mailing if packed in the following manner:

(2) When blade is not over 3¼ inches in length and ¾ inch in width, a close fitting sheath of 0.018 chipboard or equivalent material longer than blade shall be used together with kraft envelope or equivalent testing not less than 60 points (Mullen or Cady Tester), and not more than ½ inch longer than the knife.

(3) When blade is over 3¼ inches in length but not over 6 inches and not over 1 inch in width, a close fitting sheath of 0.022 kraftboard or equivalent material longer than blade shall be used together with kraft envelope or equivalent testing not less than 60 points and not more than ½ inch longer than knife.

(4) When blade is over 6 inches in length but not over 10 inches and not over 1½ inches in width, a close fitting sheath of 0.028 kraftboard or equivalent material longer than blade shall be used together with kraft envelope or equivalent testing not less than 64 points and not more than ½ inch longer than knife.

(5) The sheaths previously mentioned must be of such a snug fit that they can be removed only with some effort. A sheath that slides off readily is not ap-

proved unless it is affixed to the knife blade by means of cement or glue or is securely taped to the knife handle. The envelopes must be securely sealed.

(6) Kitchen set with 2 knives with blades not over 6 inches in length securely fastened by good guality cellulose tape or equivalent to a die cut card or 0.036 chipboard or equivalent larger than the knives and enclosed in a close fitting fiber carton of 0.024 kraftboard or equivalent securely fastened.

(7) Carving set composed of knife and fork taped together with blade not over 9 inches in length with close fitting sheaths of 0.018 chipboard protecting both blade and tines and enclosed in a close fitting fiber carton of 0.034 kraftboard or equivalent securely fastened.

(8) More substantial packing is required for larger knives. They should be cushioned in a strong fiberboard, wooden or metal box with the blades properly encased so that they cannot cut through their covering.

(R. S. 161, 396, secs. 304, 309, 42 Stat. 24, 25; 5 U. S. C. 22, 369)

[SEAL] V. C. BURKE, *Acting Postmaster General.*

[F. R. Doc. 48-9923; Filed, Nov. 12, 1948; 8:52 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

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

Subchapter Q—Reclamation and Irrigation

[Order 2485]

PART 230—RECLAMATION OF ARID LANDS BY THE UNITED STATES

RECLAMATION AND CULTIVATION

Section 230.60 is amended to read as follows:

§ 230.60 *What constitutes reclamation and cultivation.* To comply with the provisions of the reclamation law as to reclamation and cultivation, the land must be cleared of brush, trees, and other encumbrances, provided with sufficient laterals for its effective irrigation, graded and otherwise put in proper condition for irrigation and crop growth, planted, watered, and cultivated, and during at least 2 years next preceding the date of approval by the official in charge of the project of proof of reclamation, except as prevented by hailstorm or flooding, satisfactory crops must be grown on at least one-half of the irrigable area thereof. A satisfactory crop during any year shall be any one of the following: (a) A crop of annuals producing a yield of at least one-half of the average yield on similar land under similar conditions on the project for the year in which it is grown; (b) a substantial stand of alfalfa, clover, or of other perennial grass substantially equal in value to alfalfa or clover; or (c) a season's growth of orchard trees or vines of which 75 percent shall be in a thrifty condition. The crop production requirements of this section affecting lands embraced in reclamation homestead entries made after January 1, 1949, must be performed and met by the entryman personally, by members of his immediate family residing with him, or by persons employed under his direction supervision and management. The crop production requirements of this section shall be applicable to entryman's successors in interest. (Sec. 4 subsec. C, 43 Stat. 702; 43 U. S. C. 433)

Dated: October 25, 1948.

WILLIAM E. WARNE, *Acting Secretary of the Interior.*

[F. R. Doc. 48-9918; Filed, Nov. 12, 1948; 8:53 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service; Department of the Interior

Subchapter C—National Wildlife Refuges; Individual Regulations

PART 29—PLAINS REGION NATIONAL WILDLIFE REFUGES

HUNTING IN LOWER SOURIS NATIONAL WILDLIFE REFUGE, NORTH DAKOTA

Basis and purpose. On the basis of observations and reports of field representatives of the Fish and Wildlife Service and of Conservation Agents of the North Dakota Game and Fish Department, it has been determined there is a general surplus of deer in much of North Dakota and that the reduction of the population can be facilitated by opening certain National Wildlife Refuges in the State to to the public hunting of deer.

Section 29.573a is revised to read:

§ 29.573a *Lower Souris National Wildlife Refuge, North Dakota; hunting.* Deer, coyote, and fox may be taken with firearms and with bow and arrow during the State open season prescribed by the Game and Fish Department of the State of North Dakota for the hunting of deer during the calendar year 1948 on certain lands, hereinafter specified, of the United States within the Lower Souris National Wildlife Refuge, North Dakota.

(a) *Area open to hunting.* All the lands of the United States except the areas within one-half mile of occupied residences on the Lower Souris Refuge shall be open to hunting with firearms. All the lands of the United States south of the Upham-Willow City Road except the areas within one-half mile of occupied residences on the Refuge shall be open to bow and arrow hunting.

(b) *Entry.* Entry on and use of the Refuge are governed by Part 12 of this chapter and strict compliance therewith is required. Hunters must follow such routes of travel within the Refuge as are designated by posting.

(c) *State laws.* Strict compliance with all State laws and regulations is required, and any person who hunts on the Refuge must have in his possession and exhibit at the request of any authorized Federal or State officer a valid State hunting license and permit for the taking of deer if such is required by the State laws and regulations. The license and permit will serve as a Federal permit for entry on the Refuge for the purpose of hunting deer. (Sec. 10, 45 Stat. 1222; 16 U. S. C. 715i, Reorg. Plan No. II of 1939, 3 C. F. R. Cum. Supp. 4 F. R. 2731; Regs., Fish and Wildlife Service, Dec. 19, 1940, 5 F. R. 5284, as amended Apr. 14, 1945, 10 F. R. 4267)

Dated: November 8, 1948.

[SEAL] M. C. JAMES, *Acting Director.*

[F. R. Doc. 48-9915; Filed, Nov. 12, 1948; 8:54 a. m.]

PART 29—PLAINS REGION NATIONAL WILDLIFE REFUGES

HUNTING IN SAND LAKE NATIONAL WILDLIFE REFUGE, SOUTH DAKOTA

Basis and purpose. On the basis of observations and reports of field representatives of the Fish and Wildlife Service and of Conservation Agents of the South Dakota Game, Fish, and Parks Department, it has been determined that there is a surplus of deer on and in the immediate vicinity of the Sand Lake National Wildlife Refuge, the removal of which can best be accomplished by public hunting.

Section 29.800a is amended to read:

§ 29.800a *Sand Lake National Wildlife Refuge, South Dakota; hunting.* Deer, coyote, and fox may be taken during the State open season prescribed by the South Dakota Game, Fish, and Parks Department for the hunting of deer during the calendar year 1948 on certain lands, hereinafter specified, of the United States within the Sand Lake National Wildlife Refuge, South Dakota.

(a) *Area open to hunting.* All the lands of the United States except the areas within one-half mile of the occupied residences on the Sand Lake Refuge shall be open to such hunting.

(b) *Entry.* Entry on and use of the Refuge are governed by Part 12 of this chapter, and strict compliance therewith is required. Hunters must follow such routes of travel within the Refuge as are designated by posting.

(c) *State laws.* Strict compliance with all State laws and regulations is required, and any person who hunts on the Refuge must have in his possession and exhibit at the request of any authorized Federal or State officer a valid State hunting license and permit for the taking of deer if such is required by the State laws and regulations. The license and permit will serve as a Federal permit for entry on the Refuge for the purpose of hunting deer. (Sec. 10, 45 Stat. 1222, 16 U. S. C. 715i; Reorg. Plan No. II of 1939, 3 CFR Cum. Supp., 4 F. R. 2731; Regs., Fish and Wildlife Service, Dec. 19, 1940, 5 F. R. 5284, as amended Apr. 14, 1945, 10 F. R. 4267)

Dated: November 8, 1948.

[SEAL] M. C. JAMES, *Acting Director.*

[F. R. Doc. 48-9916; Filed, Nov. 12, 1948; 8:53 a. m.]