§ 968.92 Continuing power and duty of the market administrator.

(a) If, upon the suspension or termination of any or all provisions of this part there are any obligations arising under this part the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(b) The market administrator or such other person as the Secretary may designate, shall (1) continue in such capacity until removed, (2) from time to time account for all receipts and disbursements and when so directed by the Secretary deliver all funds on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct, and (3) if so directed by the Secretary execute assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

§ 968.93 Liquidation after suspension or termination.

Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating such funds shall be distributed to the contributing handlers and producers in an equitable manner.

§ 968.94 Agents.

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

§ 968.95 Separability of provisions.

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

Issued at Washington, D.C., May 25, 1961, to be effective on and after the first day of June 1961.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 61-5028; Filed, May 31, 1961; 8:45 a.m.]

PART 1021—TOMATOES GROWN IN THE LOWER RIO GRANDE VALLEY IN TEXAS

Approval of Expenses and Rate of Assessment

Notice of rule making regarding the proposed expenses and rate of assessment to be made effective under Marketing Order No. 121 (7 CFR Part 1021), regulating the handling of tomatoes grown in the Counties of Cameron, Hidalgo, Starr and Willacy in Texas (Lower Rio Grande Valley), was published in the FEDERAL REGISTER May 11, 1961 (26 F.R. 4069). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674).

This notice afforded interested persons an opportunity to file data, views and arguments pertaining thereto not less than five days after publication in the FEDERAL REGISTER. None was filed.

After consideration of all relevant matters, including the proposal set forth in the aforesaid notice, which was recommended by the Texas Valley Tomato Committee established pursuant to the aforesaid marketing order, it is hereby found and determined that:

§ 1021.203 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred by the Texas Valley Tomato Committee established pursuant to Marketing Order No. 121, to enable such committee to perform its functions pursuant to the provisions of the aforesaid marketing order, during the fiscal period ending February 28, 1962, will amount to $15,000.00.

(b) The rate of assessment to be paid by each handler pursuant to this part shall be three-fourths of one cent ($0.0075) per 60-pound crate of tomatoes, or the equivalent quantity thereof in other containers handled by him as the first handler thereof during said fiscal period.

(c) The terms used in this section shall have the same meaning as when used in Marketing Order No. 121 (7 CFR Part 1021).

It is hereby found that good cause exists for not postponing the effective date of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 1001-1011) in that: (1) The relevant provisions of said marketing agreement and this part require that rates of assessment fixed for a particular fiscal period shall be applicable to all assessable tomatoes from the beginning of such period and (2) the current fiscal period began on March 1, 1961, and the rate of assessments herein fixed will automatically apply to all assessable tomatoes beginning with such date.

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

Dated: May 26, 1961.

FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 61-5070; Filed, May 31, 1961; 8:48 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 7725 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Alpha Distributing Co.

Subpart—Bribing customers' employees: § 13.315 *Employees of private concerns.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, John Holonka et al. doing business as Alpha Distributing Co., New York, N.Y., Docket 7725, Mar. 14, 1961]

In the Matter of John Holonka, and Harry Apostoleris, Individually, and as Copartners, Doing Business as Alpha Distributing Co.

Consent order requiring New York City distributors of phonograph records to cease giving concealed payola to disk jockeys and other personnel of television and radio programs as inducement for the frequent playing of their records to increase sales.

The order to cease and desist is as follows:

It is ordered, That respondents John Holonka and Harry Apostoleris, individually, and as copartners doing business as Alpha Distributing Co., or under any other name, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed, in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or either of them, have a financial interest of any nature.

(2) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any

such records in which respondents, or either of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order, by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

By "Decision of the Commission", etc., report of compliance was required as follows:

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

Issued: March 15, 1961.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 61-5042; Filed, May 31, 1961; 8:45 a.m.]

[Docket 7660 o]

PART 13—PROHIBITED TRADE PRACTICES

Colgate-Palmolive Co.

Subpart—Advertising falsely or misleadingly: § 13.170 *Qualities or properties of product or service:* § 13.170–70 Preventive or protective.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Colgate-Palmolive Company, New York, N.Y., Docket 7660, Mar. 9, 1961]

Order requiring a manufacturer of a dentifrice, among other products, with headquarters in New York City, to cease representing falsely in advertisements and television commercials that its "Colgate Dental Cream with Gardol" formed a "protective shield" around teeth, thereby affording users complete protection against tooth decay or the development of cavities in their teeth.

The order to cease and desist is as follows:

It is therefore ordered, That respondent Colgate-Palmolive Company, a corporation, and its officers, agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of the product "Colgate Dental Cream with Gardol" or any other dentifrice possessing substantially the same properties, in commerce, as "commerce" is defined in the Federal Trade Commission Act, forthwith cease and desist from:

1. Representing, directly or by implication, that said dentifrice affords the users thereof with complete protection against tooth decay or the development of cavities in their teeth.

2. Misrepresenting in any manner the degree or extent of protection against tooth decay or the development of cavities in teeth afforded users of any such dentifrice.

By "Final Order", report of compliance was required as follows:

It is further ordered, That the respondent, Colgate-Palmolive Company, a corporation, shall, within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order contained in said initial decision.

Issued: March 9, 1961.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 61-5043; Filed, May 31, 1961; 8:45 a.m.]

[Docket 8167 c.o.]

PART 13—PROHIBITED TRADE PRACTICES

Warren Woolen Co. et al.

Subpart—Furnishing means and instrumentalities of misrepresentation or deception: § 13.1055 *Furnishing means and instrumentalities of misrepresentation or deception.* Subpart—Misrepresenting oneself and goods—Goods: § 13.1590 *Composition.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, The Warren Woolen Co. et al., Stafford Springs, Conn., Docket 8167, Mar. 8, 1961]

In the Matter of The Warren Woolen Co., a Corporation, and Richard Valentine, William Sorenson, and Richard Rugen, Individually and as Officers of Said Corporation

Consent order requiring distributors of woolen fabrics in Stafford Springs, Conn., to cease furnishing to garment manufacturers for attachment to clothing made from its fabrics containing no llama fleece whatsoever, cloth labels bearing the statements "53% Llama, 47% wool" and "Llama-Lure".

The order to cease and desist is as follows:

It is ordered, That respondents, The Warren Woolen Co., a corporation, and its officers, and Richard Valentine, William Sorenson and Richard Rugen, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of fabrics in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the term "Lama-Lure," or any other term, word or expression of the same import in connection with fabrics that do not contain the fleece of the Llama; or misrepresenting in any manner the type of fiber contained in a fabric;

2. Furnishing any means or instrumentality to others by and through which they may misrepresent the type of fiber contained in garments manufactured from their fabrics.

By "Decision of the Commission", etc., report of compliance was required as follows:

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

Issued: March 8, 1961.

By the Commission.

[SEAL] ROBERT M. PARRISH, *Secretary.*

[F.R. Doc. 61-5044; Filed, May 31, 1961; 8:45 a.m.]

Title 18—CONSERVATION OF POWER

Chapter I—Federal Power Commission

[Docket No. R-178; Order No. 234]

PART 156—APPLICATIONS FOR ORDERS UNDER SECTION 7(a) OF THE NATURAL GAS ACT

MAY 25, 1961.

In this proceeding the Commission has under consideration the prescription of a new Part 156, entitled "Applications for Orders Under Section 7(a) of the Natural Gas Act" of Subchapter E, Regulations Under the Natural Gas Act, of Chapter I of Title 18, Code of Federal Regulations, to read as set forth below. The part herein approved sets out regulations to be followed by applicants for the issuance of orders pursuant to section 7(a) of the Natural Gas Act (52 Stat. 824; 15 U.S.C. 717f(a)), which authorizes the Commission, after notice and opportunity for hearing, to direct a natural gas company to establish physical connection of its transportation facilities with the facilities of, and sell natural gas to, any person or municipality engaged or legally authorized to engage in the local distribution of natural gas to the public.

General public notice of the proposed rulemaking was given by publication of notice in the FEDERAL REGISTER on August 26, 1959 (24 F.R. 6915), and by mailing copies thereof to interested persons, including natural gas companies, and to State and Federal agencies.

The regulations prescribed herein were developed in cooperation with representatives of the industry affected. In response to the notice, views and comments in writing were received from or on behalf of the following: Colorado-Wyoming Gas Company; Columbia Gas System Service Corporation; Robert S. Hunt; Western Kentucky Gas Company; City of Long Beach, California; J. David

Mann, Jr.; Southern California Edison Company; Southern Natural Gas Company; and Texas Gas Transmission Corporation.

Thorough consideration was given to all suggestions and protests received, though not all have been adopted. The majority of those received expressed approval of the regulations as being desirable, but suggested certain amendments principally to § 156.5 which would serve to clarify and materially assist both future applicants and the Commission in its analysis of the information submitted. The Commission has considered the amendments proposed in the light of the arguments presented and has incorporated those which it thinks will best serve the public interest.

Some of the replies indicate that the word "transmission" carries the connotation "jurisdictional." This is not necessarily true. A facility may be utilized for the "transmission" of natural gas, i.e., from the supplier's facilities to the distribution facilities of the applicant. If such use meets the conditions of section 1(c) of the Natural Gas Act and the applicant has obtained a declaration of exemption in accordance with Part 152 of the Commission's Regulations Under the Natural Gas Act, the facilities would not be subject to Commission jurisdiction even though they perform the transmission function.

Applicants seeking Commission action under section 7(a) of the Act are now following the provisions of Part 157 of the regulations so far as they are applicable. The regulations prescribed herein will provide, in the future, exclusive criteria for applications filed under this section.

Upon consideration of the entire record in this proceeding, including the various proposed amendments, comments and suggestions, the experience acquired by the Commission in the administration of the Natural Gas Act, and the regulations thereunder, the Commission finds:

(1) Amendment of the Regulations Under the Natural Gas Act as herein ordered is appropriate and necessary for carrying out the provisions of that Act.

The Commission, acting pursuant to authority granted by the Natural Gas Act, as amended, particularly sections 7(a) and 16 thereof (52 Stat. 824, 52 Stat. 830; 15 U.S.C. 717f(a) and 717o), orders:

(A) Subchapter E, Regulations Under the Natural Gas Act, Chapter I of Title 18, Code of Federal Regulations, is amended by adding a new Part 156, "Applications for Orders Under Section 7(a) of the Natural Gas Act" to read as set forth in the attachment hereto.

(B) This amendment shall become effective on July 1, 1961.

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

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary*.

AUTHORITY: §§ 156.1 to 156.11 issued under 52 Stat. 824, 830; 15 U.S.C. 717f(a) and 717o.

§ 156.1 Who may apply.

Any person or municipality as defined in section 2 of the Natural Gas Act engaged or legally authorized to engage in the local distribution of natural or artificial gas to the public may file with the Commission an application pursuant to the provisions of section 7(a) of the Natural Gas Act for an order of the Commission directing a natural gas company to extend or improve its transportation facilities, to establish physical connection of its transportation facilities with the facilities of, and sell natural gas to such person or municipality, and for such purpose to extend its transportation facilities to communities immediately adjacent to such facilities or to territory served by such natural gas company.

§ 156.2 Purpose and intent of rules.

(a) Applications filed pursuant to the provisions of section 7(a) of the Natural Gas Act shall contain all information necessary to advise the Commission fully concerning the applicant, the service which applicant requests the Commission to direct the natural gas company to render together with a description of any improvement or extension of facilities which the natural gas company would be required to make in connection with the rendition of the service, applicant's present and proposed operations, construction, service, and sales together with a description of any extension or improvement of facilities by applicant which would be required to enable applicant to engage in the local distribution of natural gas.

(b) Every requirement of this part shall be considered as an obligation upon the applicant which can be avoided only by a definite and positive showing that the information or data required by the applicable sections of the regulations is not necessary to the consideration and ultimate determination of the application.

(c) This part will be strictly applied to all applications as submitted and the burden of adequate presentation in understandable form as well as justification for omitted data or information rests with the applicant.

(d) Under this part, the natural gas company from which applicant is seeking the service is a party respondent to the proceeding.

§ 156.3 Applications; number of copies; general requirements.

(a) *Applicable rules.* An original and 7 conformed copies of an application under this part shall be filed with the Commission. The Commission reserves the right to request additional copies. In all other respects applications shall conform to the requirements of §§ 156.1 through 156.5, and applicable requirements of the Commission's rules of practice and procedure, particularly §§ 1.5, 1.15, 1.16, and 1.17 of this chapter. Amendments to or withdrawals of applications shall be filed in accordance with the requirements of § 1.11 of this chapter.

(b) *General content of application.* Each application filed shall set forth the following information:

(1) The exact legal name of applicant; the name of the natural gas company (respondent) from which applicant is seeking an extension or improvement of transportation facilities, physical connection of facilities or service of natural gas together with a concise description of the extension, improvement, physical connection of facilities or service sought from such company including the estimated volumes of natural gas involved to meet annual and maximum day requirements for the estimated first three years of proposed operation.

(2) Applicant's principal place of business; whether applicant is an individual, corporation or municipality as defined in section 2 of the Natural Gas Act; State under the laws of which applicant is incorporated, organized or authorized; and the name, title, and mailing address of the person or persons to whom communications concerning the application are to be addressed.

(3) The facts relied upon by applicant to show that the proposed extension or improvement of transportation facilities, physical connection of facilities or service and sale of natural gas are necessary or desirable in the public interest.

(4) A concise description of applicant's operations, if any, at the time the application is filed.

(5) A concise description of applicant's proposed operations, construction, service and sales together with a description of any extension or improvement of facilities by applicant which would be required to enable applicant to engage in the local distribution of natural gas and including the proposed dates for the beginning and completion of construction and commencement of operations.

(6) A full statement concerning and description of any certificate of public convenience and necessity, franchise or other authorization which applicant has applied for or received from any State commission or municipality covering its proposed operations.

(7) A full statement as to whether any other application must be or is to be filed by applicant with any other Federal or State body, or other political subdivision or agency of a State to enable applicant to engage in the local distribution of natural gas in the territory it proposes to serve.

(8) Each application shall contain a table of contents which shall list all exhibits and documents filed in compliance with §§ 156.1 through 156.5, as well as other documents and exhibits filed therewith, identifying them by their appropriate titles and alphabetical letter

designations specified in § 156.5. The alphabetical designations specified in § 156.5 must be strictly adhered to and any additional exhibits submitted on applicant's own volition, pursuant to § 156.5(b), shall be designated in sequence under the letter designation X (X1, X2, X3, etc.).

(c) *Incorporation by reference.* Any information required by this part which is already on file with the Commission may be incorporated by reference.

§ 156.4 Form of exhibits to be attached to applications.

(a) *General requirements.* Each exhibit shall contain a title page showing applicant's name, Docket No. CP-______ (number designation to be left blank), title of exhibit, and if exhibit consists of 10 or more pages a table of contents citing by page, section number or subdivision the component elements or matters contained therein.

(b) *Measurement base.* All gas volumes shall be stated upon a uniform basis of measurement, and, in addition, if the uniform basis of measurement used in any application is other than 14.73 p.s.i.a., then the volume or volumes of natural gas to be received from any source and delivered by applicant shall also be stated upon a basis of 14.73 p.s.i.a. Similarly, total volumes on all summary sheets, as well as grand totals of volumes in any exhibit, shall also be stated upon a basis of 14.73 p.s.i.a. if the basis of measurement used is other than 14.73 p.s.i.a.

§ 156.5 Exhibits.

(a) *Exhibits to be submitted with application.* All of the following exhibits shall be submitted with the application when tendered for filing. Such exhibits may be attached to the application or furnished in a separate volume or separate volumes designated "Exhibits to Application." Such separate volume or volumes shall indicate on the cover thereof applicant's name and bear Docket No. CP-_____ (number designation to be left blank).

(1) *Exhibit A—Articles of incorporation and bylaws.* If applicant is not an individual, a conformed copy of its articles of incorporation and bylaws, or other similar documents. One certified copy shall be submitted with the original application.

(2) *Exhibit B—State and local authorizations.* (i) A copy of any certificate of public convenience and necessity or similar authorization which applicant has obtained from the State commission or commissions of each of the States in which applicant engages or proposes to engage in the local distribution of natural gas; (ii) a copy of any franchise or similar authorization which applicant has obtained from each of the municipalities in which applicant engages or proposes to engage in the local distribution of natural gas; and (iii) a copy of any other authorization or form of consent which applicant has obtained from any State, State commission, municipality or from any agency of the Federal government necessary or incidental to applicant's proposal to engage in the local distribution of natural gas. One certified copy of each of the documents specified in subdivisions (i), (ii), and (iii) of this paragraph shall be submitted as exhibits to the original application.

(3) *Exhibit C—Officials.* A list of the names and business addresses of applicant's officers and directors, or similar officials if applicant is not a corporation.

(4) *Exhibit D—Subsidiaries and affiliation.* If applicant or any of its officers or directors, directly or indirectly, owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of any other person or organized group of persons engaged in production, transportation, distribution, or sale of natural gas, or of any person or organized group of persons engaged in the construction or financing of such enterprises or operations, a detailed explanation of each such relationship, including the percentage of voting strength represented by such ownership of securities. If any person or organized group of persons, directly or indirectly, owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of applicant—give a detailed explanation of each such relationship.

(5) *Exhibit F—Location of facilities.* A geographical map of suitable scale and detail showing all of the transmission facilities proposed to be installed and operated by Applicant between distribution systems of Applicant and the transmission pipeline system of the proposed supplier (respondent), and include:

(i) Location, length, and size of applicant's transmission pipelines.

(ii) Location and size (related horsepower) of applicant's transmission compressor stations.

(iii) Location and designation of each point of connection of applicant's proposed transmission facilities with (*a*) proposed pipeline supplier (respondent) main line industrial customers, gas pipeline or distribution systems, showing towns and communities to be served, and (*b*) gas producing and storage fields, or other sources of supply.

(iv) Location, length and size of facilities required to be installed by the proposed supplier (respondent) necessary for the rendition of service requested by the applicant.

(6) *Exhibit G—Flow diagram showing daily design capacity and reflecting operation with proposed transmission facilities.* A flow diagram showing daily design capacity of all transmission facilities proposed to be installed and operated by applicant between distribution facilities of applicant and the transmission pipeline system of the proposed supplier (respondent) including the following:

(i) Diameter, wall thickness, and length of pipe to be installed.

(ii) For each transmission compressor station, the size, type, and number of compressor units, horsepower required, horsepower to be installed, volume of gas to be used as fuel, suction and discharge pressures, and compression ratio.

(iii) Pressures and volumes of gas at the main line inlet and outlet connections at each compressor station.

(iv) Pressures and volumes of gas at each intake and takeoff point and at the beginning and terminus of all proposed transmission facilities.

(7) *Exhibit G-I—Flow diagram reflecting maximum capabilities.* If Exhibit G does not reflect the maximum deliveries of all transmission facilities, proposed to be installed and operated by applicant between distribution facilities of applicant and the transmission pipeline system of the proposed supplier (respondent), under most favorable operating conditions, without installation of any facilities in addition to those proposed in the application, include an additional diagram or diagrams to depict such maximum capabilities.

(8) *Exhibit G-II—Flow diagram data.* Exhibits G and G-I shall be accompanied by a statement of engineering design data in explanation and support of the diagrams and the proposed project, setting forth:

(i) Assumption, bases, formulae, and methods used in the development and preparation of such diagrams and accompanying data.

(ii) A description of the transmission pipe and fittings to be installed, specifying the diameter, wall thickness, yield point, ultimate tensile strength, method of fabrication, and methods of testing proposed.

(iii) Type, capacity, and location of each natural gas storage field or facility, or other similar plant or facility directly attached to the applicant's transmission system.

(9) *Exhibit H—Total gas supply data.* A statement of the total gas supply committed to, controlled by, or possessed by an applicant which is available to it for the acts and the services proposed, together with:

(i) The estimated total volume of proven reserves in place for each reservoir in each field from which applicant takes natural gas, giving names and location of fields (state, county, or parish).

(ii) The estimated total volumes of proven reserves available to applicant by fee or under lease, segregated by gas fields and reservoirs thereof, giving names and locations of fields (state, county, or parish).

(iii) The names and addresses of persons with whom applicant has gas purchase contracts, the effective dates and remaining terms in years of such contracts.

(iv) A study, showing the daily volumes of natural gas which can and are proposed to be obtained each year from each source of supply.

(v) Estimate of the Btu content of the gas available to or requested by applicant for proposed service.

(vi) A study of each proposed gas storage field showing: Location; geology; original and present reserves for each reservoir; original and present pressure of each reservoir; proposed top and base storage pressures; proposed top and base gas volumes to be stored; a deliverability study, including daily and annual injection and withdrawal rates and pressures; and maximum daily deliverability and maximum storage capacity under the proposed plan of development.

(10) *Exhibit I—Market data.* An estimate by distribution systems of the volumes of gas to be delivered during the year in which proposed service is estimated to begin and during each of the first 3 full years of operation of the proposed facilities, and actual data of like import for each of the 3 years next preceding the filing of the application, together with:

(i) Names and locations of areas to be served, showing the number of residential, commercial, firm industrial, interruptible industrial, residential spaceheating, commercial spaceheating, and other types of customers for each distribution system to be served; and the names and locations of each firm and interruptible direct industrial customer whose estimated consumption totals 10,000 Mcf or more in any calendar month or 100,000 Mcf or more per year.

(ii) Applicant's total annual and peak day gas requirements by classification of service in subdivision (i) of this subparagraph, divided as follows: Gas requirements (*a*) for each distribution area where gas is sold or to be sold by applicant at retail; (*b*) for all main-line direct industrial customers; and (*c*) company use and unaccounted-for gas.

(iii) Total past and expected curtailments of service by the applicant in each distribution area proposed to be supplied with gas from the project, all to be listed by the classifications of service as indicated in subdivision (i) of this subparagraph.

(iv) Explanation of basic factors used in estimating future requirements, including, for example: Peak day and annual degree day deficiencies, annual load factors of applicant's deliveries to its proposed customers; derivation of numbers of customers proposed to be served; individual consumer peak day and annual consumption factors for each class of consumers, with supporting historical data; forecasted saturation of space heating as related to past experience; and full detail as to all other sources of gas supply available to applicant and to each of its customers, including manufacturing facilities and liquid petroleum gas.

(v) A full description of all facilities, other than transmission facilities, necessary to provide service in the communities to be served.

(vi) A copy of each market survey made within the past 3 years for the markets proposed to be served.

(11) *Exhibit J—Conversion to natural gas.* If manufactured gas service exists in a community proposed to be served, submit with respect to each such community:

(i) Description of existing gas manufacturing facilities and their physical condition, including: the type, size, daily output capacity, and installation date of each gas generating unit; daily sendout capacity of plant; and capacity of storage holders.

(ii) Statement of kind of gas proposed to be distributed; use proposed to be made of gas manufacturing facilities in connection with such service; estimated cost of converting gas manufacturing facilities to high Btu gas production, showing Btu content, whether such conversion of manufacturing facilities is planned, and estimated daily sendout capacity after conversion.

(iii) Study showing estimated cost of converting consumers' appliances to natural gas and the accounting proposed for such cost.

(iv) Study showing savings, if any, for each of the first 3 full years of proposed natural gas operation and the basis therefor.

(v) Study showing any rate reduction and/or improvement in service to the ultimate consumers.

(12) *Exhibit K—Cost of facilities.* A detailed estimate of total capital cost of the proposed facilities involved in the application, showing cost of construction by operating units such as distribution facilities, compressor stations, transmission pipelines and laterals, measuring and regulating stations, and separately stating the cost of rights-of-way, damages, surveys, materials, labor, engineering and inspection, administrative overhead, fees for legal and other services, interest during construction, and contingencies. Detailed estimates of cost of facilities required to be installed by the pipeline supplier shall be separately stated.

(13) *Exhibit L—Financing.* Plans for financing the proposed facilities for which the application is filed, together with:

(i) A detailed description of applicant's outstanding and proposed securities and liabilities, showing amount (face value and number), interest or dividend rate, dates of issue and maturity, voting privileges, and principal terms and conditions applicable to each.

(ii) The manner in which applicant proposes to dispose of securities by private sale, competitive bidding or otherwise; the persons, if known, to whom they will be sold or issued, and evidence that such persons have agreed to purchase the securities, and if not known, the class or classes of such persons.

(iii) A statement showing for each proposed issue, by total amount and by unit, the estimated sale price and estimated net proceeds to the applicant.

(iv) A statement as to the extent to which the applicant will rely on temporary financing in connection with the proposed construction, and statements tending to substantiate the fact that such temporary loans will be made available.

(v) Statement of anticipated cash flow, including provision during the period of construction and the first 3 full years of proposed operation for interest requirements, dividends, and capital retirements.

(vi) Statement showing, over the life of each issue, the annual amount of securities which applicant expects to retire through operation of a sinking fund or other extinguishment of the obligation.

(vii) A balance sheet and income statement (12 months) of most recent date available.

(viii) Comparative pro forma balance sheets and income statements for the period of construction and each of the first 3 full years of operation, giving effect to the proposed construction and proposed financing of the project.

(ix) Any additional data and information upon which applicant proposes to rely in showing the adequacy and availability to it of resources for financing its proposed project.

(14) *Exhibit M—Construction, operation, and management.* A concise statement setting forth arrangements for supervision, management, engineering, accounting, legal, or other similar service to be rendered in connection with the construction or operation of the project, if not to be performed by employees of applicant, including reference to any existing or contemplated agreements therefor.

(15) *Exhibit N—Revenues, expenses, income.* Applicant shall submit pro forma statements for each of the first 3 full years of operation of all the proposed facilities, showing:

(i) Gas system annual revenues and volumes of natural gas related thereto, subdivided by classes of service and further subdivided by sales to direct industrial customers, sales to other utilities (if any), transportation for other gas utilities and other sales.

(ii) Gas system annual operating expenses, cost of gas purchased, depreciation, depletion, taxes, utility income and resulting rate of return on net investment in gas plant, including working capital, or in the case of a municipality applicant similar data and amortization-interest schedule for life of each bond issue related to the proposed project. Cost of gas purchased shall be at the currently effective applicable rate of the pipeline supplier or applicable rate filed by such pipeline supplier, but not effective at date of filing, whichever is the higher.

(iii) The information required by subdivisions (i) and (ii) of this subparagraph need not be furnished when the applicant furnishes as a part of its application a pro forma copy of a certificate of convenience and necessity or similar authorization issued to it by the local State commission having jurisdiction over its proposed operations.

(16) *Exhibit P—Rates.* (i) A statement of the rates proposed to be charged for the proposed services to be rendered. Indicate whether rates are subject to regulation by the State or local authorities.

(ii) Identification of the rate schedule of the natural gas company (respondent) under which gas is proposed to be purchased.

(b) *Additional exhibits.* Applicant shall submit additional exhibits necessary to support or clarify its application. Such exhibits shall be identified and designated as provided by § 156.3(b)(8).

(c) *Additional information.* Upon request by the Secretary, prior to or during hearing upon the application, applicant shall submit such additional data, information, exhibits, or other detail as may be specified. Such additional information shall conform to the requirements of §§ 1.15, 1.16, and 1.17 of the rules of practice and procedure unless otherwise directed by the Secretary.

§ 156.6 Acceptance for filing or rejection of application.

Applications will be docketed when received and the applicant so advised. Any application which does not conform to the requirements of §§ 156.1 through 156.5 will be rejected by the Secretary. All but one copy of a rejected application will be returned. An application which relates to an operation concerning which a prior application has been filed and rejected, shall be docketed as a new application. Such new application shall state the docket number of the prior rejected application.

§ 156.7 Service of application.

After an application has been accepted for filing, the Secretary will cause a copy thereof to be served upon the natural gas company (respondent) against which an order pursuant to section 7(a) of the Natural Gas Act has been requested. The natural gas company shall, within thirty days after the date of service of such application file its answer (an original and 7 conformed copies) to such application in which it shall state whether it has any objection to the grant of the application. If the natural gas company objects to the grant of the relief sought by the application, it shall fully state the grounds and reasons for its objections. The answer shall be verified and shall be signed by an executive of the natural gas company.

§ 156.8 Notice of application.

Notice of each application filed, except when rejected in accordance with § 156.6, will be published in the FEDERAL REGISTER and copies of such notice mailed to the State affected thereby.

§ 156.9 Protests and interventions.

Notices of applications, as provided by § 156.8 will fix the time within which any person desiring to participate in the proceeding or to file a protest regarding the application, may file a petition to intervene or protest, and within which any interested regulatory agency desiring to intervene may file its notice of intervention. Failure to make timely filing will constitute ground for denial of participation, in the absence of extraordinary circumstances for good cause shown.

§ 156.10 Hearings.

The Commission will schedule each application for public hearing at the earliest possible date giving due consideration of statutory requirements and other matters pending, with notice thereof as provided by § 1.19(b) of the rules of practice and procedure. *Provided, however,* that where no protests or petitions to intervene have been received and accepted, the Commission may, after the due date for such protests or petitions to intervene, issue the requested order without hearing.

§ 156.11 Dismissal of application.

Except for good cause shown, failure of an applicant to go forward on the date set for hearing and present its full case in support of its application will constitute ground for the summary dismissal of the application and the termination of the proceedings.

[F.R. Doc. 61-5041; Filed, May 31, 1961; 8:45 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

SUBCHAPTER B—PROPERTY IMPROVEMENT LOANS

PART 204—TITLE I MORTGAGE INSURANCE; RIGHTS AND OBLIGATIONS OF THE MORTGAGEE UNDER INSURANCE CONTRACT

SUBCHAPTER C—MUTUAL MORTGAGE INSURANCE AND SERVICEMEN'S MORTGAGE INSURANCE

PART 222—MUTUAL MORTGAGE INSURANCE; RIGHTS AND OBLIGATIONS OF THE MORTGAGEE UNDER THE INSURANCE CONTRACT

SUBCHAPTER H—WAR HOUSING INSURANCE

PART 277—WAR HOUSING INSURANCE; RIGHTS AND OBLIGATIONS OF MORTGAGEE UNDER INSURANCE CONTRACT

SUBCHAPTER N—NATIONAL DEFENSE HOUSING INSURANCE

PART 295—NATIONAL DEFENSE HOUSING INSURANCE; RIGHTS AND OBLIGATIONS OF MORTGAGEE UNDER INSURANCE CONTRACT

Miscellaneous Amendments

1. In § 204.4 paragraphs (a) and (b) are amended and a new paragraph (c)(6) is added to read as follows:

§ 204.4 Prepayment premiums.

(a) In the event that the principal obligation of any mortgage accepted for insurance is paid in full prior to maturity, the mortgagee shall within 30 days thereafter notify the Commissioner of the date of prepayment. In the event the mortgage is paid in full before the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments, the mortgagee shall pay to the Commissioner an adjusted premium charge of 1 percent of the original principal amount of the prepaid mortgage.

(b) In no event shall the adjusted premium exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments.

(c) * * *

(6) Where payment in full is made after the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments.

(Sec. 2, 48 Stat. 1246, as amended; 12 U.S.C. 1703. Interprets or applies sec. 8, 64 Stat. 48, as amended; 12 U.S.C. 1706c)

2. Section 222.35 is amended to read as follows:

§ 222.35 Computation of adjusted premium.

Where the principal obligation of any mortgage accepted for insurance is paid in full before the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments, the mortgagee shall pay to the Commissioner an adjusted premium of 1 percent of the original principal amount of the prepaid mortgage.

3. Section 222.36 is amended to read as follows:

§ 222.36 Maximum adjusted MIP.

No adjusted premium shall exceed the aggregate amount of MIP which would have been payable if the mortgage had continued to be insured until the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments.

4. In § 222.37 a new paragraph (j) is added to read as follows:

§ 222.37 Prepayments excepted from adjusted premium charge.

* * * * *

(j) Where payment in full is made after the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments.

5. Section 222.46 is amended to read as follows:

§ 222.46 Computation of voluntary termination charge.

In the event the Commissioner receives a request for voluntary termination of the insurance contract before the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments, the mortgagee shall pay to the Commissioner a termination charge equal to 1 percent of the original principal amount of the mortgage except as otherwise provided in this part.

6. Section 222.47 is amended to read as follows:

§ 222.47 Maximum voluntary termination charge.

In no event shall the charge for voluntary termination of the insurance contract exceed the aggregate amount of MIP which would have been payable if the mortgage had continued to be insured until the due date of the 120th scheduled monthly payment, without taking into account delinquent payments or prepayments.

7. In § 222.48 a new paragraph (c) is added to read as follows:

§ 222.48 Exception from voluntary termination charge.

* * * * *

(c) The request for voluntary termination of the contract of insurance is received by the Commissioner after the due date of the 120th scheduled monthly