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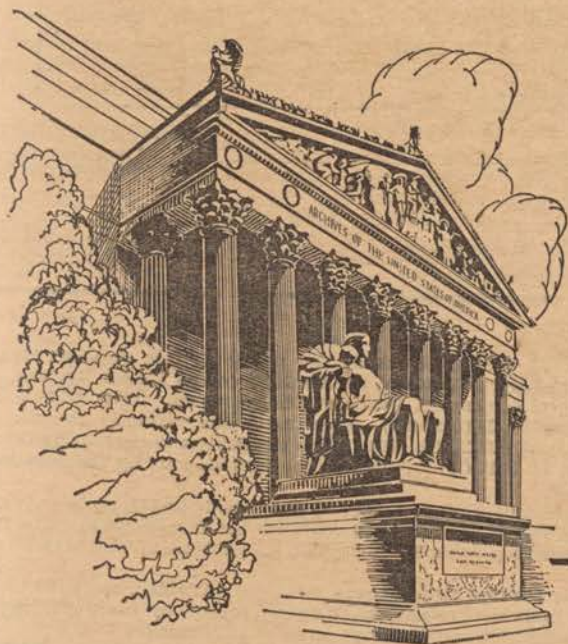
Thursday, July 4, 1968 • Washington, D.C.

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Civil Aeronautics Board
Civil Service Commission
Consumer and Marketing Service
Customs Bureau
Federal Aviation Administration
Federal Communications Commission
Federal Power Commission
Federal Reserve System
Fiscal Service
Fish and Wildlife Service
Food and Drug Administration
Housing and Urban Development
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(As of January 1, 1968)

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Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission PART 550—PAY ADMINISTRATION (GENERAL)

Payment of Hazard Pay Differential

Section 550.905 is revised to entitle an employee to payment for hazardous duty for all hours worked on a day on which hazardous duty is performed. Effective the first day of the first pay period following publication in the FEDERAL REGISTER, § 550.905 is revised as set out below.

§ 550.905 Payment of hazard pay differential.

When an employee performs duty for which hazard pay differential is authorized, the agency shall pay him the hazard differential for the hours in a pay status on the day (calendar day or, to avoid problems involving uncommon tours of duty, and when designated by the agency, a 24-hour period) on which the duty is performed. For purposes of this section hours in a pay status for work performed during a continuous period extending over 2 days shall be considered to have been performed on the day on which the work began and allowable differential shall be charged to that day.

(5 U.S.C. 5545(d), 5548(b))

UNITED STATES CIVIL SERVICE COMMISSION,

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

[F.R. Doc. 68-7978; Filed, July 3, 1968;
8:48 a.m.]

Title 7—AGRICULTURE

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

[Valencia Orange Reg. 246]

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 908.546 Valencia Orange Regulation 246.

(a) Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia oranges grown in Arizona and design-

ated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and 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. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on July 2, 1968.

(b) Order. (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period July 5, 1968, through July 11, 1968, are hereby fixed as follows:

- (i) District 1: Unlimited movement;
 - (ii) District 2: 300,000 cartons;
 - (iii) District 3: Unlimited movement.
- (2) As used in this section, "handled," "handler," "District 1," "District 2,"

"District 3," and "carton" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: July 3, 1968.

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

[F.R. Doc. 68-8086; Filed, July 3, 1968;
11:19 a.m.]

Chapter XI—Consumer and Marketing Service (Marketing Agreements and Orders; Miscellaneous Commodities), Department of Agriculture

PART 1205—COTTON RESEARCH AND PROMOTION

Subpart—Members of Cotton Board DETERMINATION OF MEMBERSHIP

On May 16, 1968, a notice of proposed rule making was published in the FEDERAL REGISTER (33 F.R. 7243) regarding a proposed revision of § 1205.402 of the Subpart—Members of Cotton Board (7 CFR 1205.402; 32 F.R. 1083).

Interested parties were given 15 days to submit written data, views, or arguments regarding the proposed revision. No comments were received and the proposed revision is adopted as hereinafter set forth:

Section 1205.402 is revised to read as follows:

§ 1205.402 Determination of Cotton Board membership.

In determining whether any cotton-producing State is entitled to be represented by more than one member on the Cotton Board pursuant to § 1205.318, average annual production of upland cotton in terms of 500-pound gross weight bales for the 5 crop years 1961 through 1965 shall be used as the basis for determination of such additional members. Accordingly, Texas is entitled to be represented on the Cotton Board by a total of five members, California by a total of two members, Mississippi by a total of two members, and each other cotton-producing State by one member each.

Effective date. This revision shall become effective 30 days following the date of publication in the FEDERAL REGISTER.

Dated: July 1, 1968.

JOHN C. BLUM,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 68-7973; Filed, July 3, 1968;
8:48 a.m.]

Title 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

PART 50—LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

Financial Qualifications

On June 13, 1967, the Commission published for comment in the *FEDERAL REGISTER* (32 F.R. 8423) proposed amendments to its regulations, "Licensing of Production and Utilization Facilities," 10 CFR Part 50, which would provide further guidance as to what information would be required to establish financial qualifications for a facility construction permit and for an operating license. The proposed amendments were accompanied by "A Guide for the Financial Data and Related Information Required To Establish Financial Qualifications for Facility Construction and Operating Licenses," designated proposed Appendix C to Part 50. All interested persons were invited to submit written comments and suggestions for consideration in connection with the proposed amendments within 60 days after publication of the notice of proposed rule making in the *FEDERAL REGISTER*. The Commission withdrew the proposed guide, Appendix C to Part 50, on July 22, 1967 (32 F.R. 10816).

After careful consideration of the comments received and other factors involved, the Commission has adopted the amendments set forth below which, except for Appendix C, are the same as those set out in the notice of proposed rule making.

Section 182a of the Atomic Energy Act of 1954, as amended, provides, among other things, that each application for a license shall state such information as the Commission, by rule or regulation, may determine to be necessary to decide such of the financial qualifications of the applicant as the Commission may deem appropriate for the license. The Act and the Commission's regulations reflect that the fundamental purpose of the financial qualifications provision of that section is the protection of the public health and safety and the common defense and security.

Although the Commission's safety determinations required for the issuance of facility licenses are based upon extensive and detailed technical review, an applicant's financial qualifications can also contribute to his ability to meet his responsibilities on safety matters. The amendment to § 50.33(f) of Part 50 set forth below provides further guidance as to what information is required to establish the financial qualifications of an applicant for a facility construction permit or an operating license. The amendment to § 50.71 provides for the filing of the annual financial reports, including the certified financial statements, of facility licensees with the Commission. The requirements of the amendments for a showing of availability of funds to cover the cost of operating the facility for a

period of at least 5 years and for the filing of annual financial reports, and those pertaining to newly formed entities, apply only to applicants for licenses for production or utilization facilities of types described in § 50.21(b) or § 50.22 of Part 50, and testing facilities as defined in § 50.2(r), Part 50.

A guide intended to aid applicants in satisfying the requirements of § 50.33(f) with respect to the preparation and submission of information sufficient to demonstrate the financial ability of the applicant to carry out the particular activity for which the permit or license is sought is set out in Appendix C, "A Guide for the Financial Data and Related Information Required to Establish Financial Qualifications for Facility Construction Permits and Operating Licenses." Much of the detail appearing in the guide published for comment on June 13, 1967, and later withdrawn, has been eliminated.

Pursuant to the Atomic Energy Act of 1954, as amended, and sections 552 and 553 of Title 5 of the United States Code, the following amendments to 10 CFR Part 50 are published as a document subject to codification, to be effective 60 days after publication in the *FEDERAL REGISTER*. The provisions of the amendments will be used as interim guidance pending effectiveness, to the extent that they are not inconsistent with the present regulations in 10 CFR Part 50. The Commission invites all interested persons who desire to submit written comments or suggestions regarding Appendix C of Part 50, "A Guide for the Financial Data and Related Information Required to Establish Financial Qualifications for Facility Construction Permits and Operating Licenses," to send them to the Secretary, U.S. Atomic Energy Commission, Washington, D.C. 20545, Attention: Chief, Public Proceedings Branch, within 60 days after publication of this notice in the *FEDERAL REGISTER*. Consideration will be given such submission with the view to possible amendments of Appendix C. Copies of comments received may be examined at the Commission's Public Document Room at 1717 H Street NW., Washington, D.C.

1. Paragraph (f) of § 50.33 of 10 CFR Part 50 is revised to read as follows:

§ 50.33 Contents of applications; general information.

Each application shall state:

(f) Information sufficient to demonstrate to the Commission the financial qualifications of the applicant to carry out, in accordance with the regulations in this chapter, the activities for which the permit or license is sought. If the application is for a construction permit, such information shall show that the applicant possesses the funds necessary to cover estimated construction costs and related fuel cycle costs or that the applicant has reasonable assurance of obtaining the necessary funds, or a combination of the two. If the application is for an operating license, such information shall show that the applicant possesses

the funds necessary to cover estimated operating costs or that the applicant has reasonable assurance of obtaining the necessary funds, or a combination of the two. With respect to any production or utilization facility of a type described in § 50.21(b) or § 50.22, or a testing facility, the following specific requirements shall apply:

If the application is for an operating license, such information shall show that the applicant possesses or has reasonable assurance of obtaining the funds necessary to cover the estimated costs of operation for the period of the license or for 5 years, whichever is greater, plus the estimated costs of permanently shutting the facility down and maintaining it in a safe condition. Without limitation on the generality of the foregoing requirements, each application for a construction permit or an operating license submitted by an entity organized for the primary purpose of constructing or operating a facility shall include information showing the legal and financial relationships it has or proposes to have with its stockholders or owners, and their financial ability to meet any contractual obligation to such entity which they have incurred or propose to incur, and any other information necessary to enable the Commission to determine the applicant's financial qualifications.

2. Section 50.71 is revised to read as follows:

§ 50.71 Maintenance of records, making of reports.

(a) Each licensee and each holder of a construction permit shall maintain such records and make such reports, in connection with the licensed activity, as may be required by the conditions of the license or permit or by the rules, regulations, and orders of the Commission in effectuating the purposes of the Act, including section 105 of the Act.

(b) With respect to any production or utilization facility of a type described in § 50.21(b) or § 50.22, or a testing facility, each licensee and each holder of a construction permit shall, upon each issuance of its annual financial report, including the certified financial statements, file a copy thereof with the Commission.

3. A new Appendix C is added to 10 CFR Part 50 to read as follows:

APPENDIX C—A GUIDE FOR THE FINANCIAL DATA AND RELATED INFORMATION REQUIRED TO ESTABLISH FINANCIAL QUALIFICATIONS FOR FACILITY CONSTRUCTION PERMITS AND OPERATING LICENSES

GENERAL INFORMATION

This appendix is intended to apprise applicants for licenses to construct and operate production or utilization facilities of the types described in § 50.21(b) or § 50.22, or a testing facility, of the general kinds of financial data and other related information that will demonstrate the financial qualifications of the applicant to carry out the activities for which the permit or license is sought. The kind and depth of information described in this guide is not intended to be a rigid and absolute requirement. In some instances, additional pertinent material may be needed. In any case, the applicant should include information other than that specified if such information is pertinent to establishing the applicant's financial ability to construct and operate the proposed facility.

Since separate findings of financial qualifications will be made by the Commission at the construction permit stage of the licensing process and at the operating license stage, the nature of the information to be included in the application at each of these stages is discussed separately.

It is important to observe also that both § 50.33(f) and this appendix distinguished between applicants which are established organizations and those which are newly formed entities organized primarily for the purpose of engaging in the activity for which the permit or license is sought. Those in the former category will normally have a history of operating experience and be able to submit financial statements reflecting the financial results of past operations. With respect, however, to the applicant which is a newly formed company established primarily for the purpose of carrying out the licensed activity, with little or no prior operating history, somewhat more detailed data and supporting documentation will generally be necessary. For this reason, the appendix describes separately the scope of information to be included in applications by each of these two classes of applicants.

In determining an applicant's financial qualifications, the Commission will require the minimum amount of information necessary for that purpose. No special forms are prescribed for submitting the information. In many cases, the financial information usually contained in current annual financial reports, including summary data of prior years, will be sufficient for the Commission's needs. The Commission reserves the right, however, to require additional financial information at the construction permit stage, at the operating license stage, and during operation of the facility, particularly in cases in which the proposed power generating facility will be commonly owned by two or more existing companies or in which financing depends upon long-term arrangements for the sharing of the power from the facility by two or more electrical generating companies.

Applicants, permit holders, and licensees are encouraged to consult with the Commission with respect to any questions they may have relating to the requirements of the Commission's regulations or the information set forth in this appendix.

I. APPLICANTS WHICH ARE ESTABLISHED ORGANIZATIONS

A. *Applications for construction permits—1. Estimate of construction costs.* For electric utilities, each applicant's estimate of the total cost of the proposed facility should be broken down as follows and be accompanied by a statement describing the bases from which the estimate is derived:

- (a) Total nuclear production plant costs \$ _____
- (b) Transmission, distribution, and general plant costs \$ _____
- (c) Nuclear fuel inventory cost for first core \$ _____
- Total estimated cost \$ _____

¹ Section 2.790 of 10 CFR Part 2 and § 9.5 of 10 CFR Part 9 indicate the circumstances under which information submitted by applicants may be withheld from public disclosure.

If the fuel is to be acquired by lease or other arrangement than purchase, the application should so state. The items to be included in these categories should be the same as those defined in the applicable electric plant and nuclear fuel inventory accounts prescribed

by the Federal Power Commission or an explanation given as to any departures therefrom.

Since the composition of construction cost estimates for production and utilization facilities other than nuclear power reactors will vary according to the type of facility, no particular format is suggested for submitting such estimates. The estimate should, however, be itemized by categories of cost in sufficient detail to permit an evaluation of its reasonableness.

2. *Source of construction funds.* The application should include a brief statement of the applicant's general financial plan for financing the cost of the facility, identifying the source or sources upon which the applicant relies for the necessary construction funds, e.g., internal sources such as undistributed earnings and depreciation accruals, or external sources such as borrowings.

3. *Applicant's financial statements.* The application should also include the applicant's latest published annual financial report, together with such current interim financial statements as are pertinent. If such report is not published, the balance sheet and operating statement covering the latest complete accounting year together with all pertinent notes thereto and certification by a public accountant should be furnished.

B. *Applications for operating licenses.* An application for a facility operating license will usually be filed near the time of completion of construction of the facility. Section 50.33(f) requires that all applications for operating licenses show that the applicant possesses the funds necessary to cover estimated operating costs, or has reasonable assurance of obtaining the necessary funds, or a combination of the two. In addition, each application for a license for a facility other than a medical or research reactor is required to show that the applicant possesses or has reasonable assurance of obtaining the funds necessary to pay the estimated costs of operation for the period of the license or for 5 years, whichever is greater, plus the estimated costs of permanently shutting down the facility and maintaining it in a safe condition. For purposes of the latter requirement, it will ordinarily be sufficient to show at the time of filing of the application, availability of resources sufficient to cover estimated operating costs for each of the first 5 years of operation plus the estimated costs of permanent shutdown and maintenance of the facility in safe condition. It is also expected that, in most cases, the applicant's annual financial statements contained in its published annual reports will enable the Commission to evaluate the applicant's financial capability to satisfy this requirement.

II. APPLICANTS WHICH ARE NEWLY FORMED ENTITIES

A. *Applications for construction permits—1. Estimate of construction costs.* The information that will normally be required of applicants which are newly formed entities will not differ in scope from that required of established organizations. Accordingly, applicants should submit estimates as described above for established organizations.

2. *Source of construction funds.* The application should specifically identify the source or sources upon which the applicant relies for the funds necessary to pay the cost of constructing the facility, and the amount to be obtained from each. With respect to each source, the application should describe in detail the applicant's legal and financial relationships with its stockholders, corporate

affiliates, or others (such as financial institutions) upon which the applicant is relying for financial assistance. If the sources of funds relied upon include parent companies or other corporate affiliates, information to support the financial capability of each such company or affiliate to meet its commitments to the applicant should be set forth in the application. This information should be of the same kind and scope as would be required if the parent companies or affiliates were in fact the applicant. Ordinarily, it will be necessary that copies of agreements or contracts among the companies be submitted.

As noted earlier in this appendix, an applicant which is a newly formed entity will normally not be in a position to submit the usual types of balance sheets and income statements reflecting the results of prior operations. The applicant should, however, include in its application a statement of its assets, liabilities, and capital structure as of the date of the application.

B. *Applications for operating licenses—1. Current financial statements.* In its application for a license to operate the facility, the applicant should include a statement of its current financial condition.

2. *Estimates of operating income and expense.* In order to enable the Commission to evaluate the applicant's financial qualifications to operate the completed facility and, if necessary, to shut it down, as required by § 50.33(f), the application for a license to operate a facility other than a medical or research reactor should include a statement of the applicant's estimate of annual income and expense for the first 5 years of operation. The statement should list operating revenues and expense in sufficient detail to permit an assessment of the reasonableness of the estimates. In addition, the applicant should include its estimate of costs to permanently shut down the facility and maintain it in safe condition if that should become necessary.

III. ANNUAL FINANCIAL STATEMENTS

Each licensee and each holder of a construction permit for a production or utilization facility of a type described in § 50.21(b) or § 50.22, or a testing facility is required by § 50.71(b) to file its annual financial report with the Commission at the time of issuance thereof. This requirement does not apply to licensees or holders of construction permits for medical and research reactors.

IV. ADDITIONAL INFORMATION

The Commission may, from time to time, request the applicant or licensee, whether an established organization or newly formed entity, to submit additional or more detailed information respecting its financial arrangements and status of funds if such information is deemed necessary to enable the Commission to determine an applicant's financial qualifications for the license or a licensee's financial qualifications to continue the conduct of the activities authorized by the license and to shut down the facility and maintain it in safe condition.

(Sec. 161, 68 Stat. 948; 42 U.S.C. 2201. Interpret or apply sec. 182, 68 Stat. 953; 42 U.S.C. 2232)

Dated at Germantown, Md., this 26th day of June 1968.

For the Atomic Energy Commission.

W. B. McCool,
Secretary.

[F.R. Doc. 68-7932; Filed, July 3, 1968; 8:45 a.m.]