it will be necessary for a producer desiring to continue to sell such gas for a period in excess of sixty days to obtain a certificate pursuant to the limited-term procedures, the optional procedure, or the national rate procedures, or obtain a temporary certificate with a refund condition in order to continue the sale beyond the expiration of the sixty-day period. In the event that such applications are not acted upon by the Commission within sixty (60) days, deliveries may be continued subject to refund of any amount collected in excess of the rate finally determined to be appropriate by the Commission (but not below the rate that would be determined under § 2.56(h)). The refund condition will apply only to so much of the rate as exceeds the rate prescribed in Opinion No. 699, and refunds will be required only to the extent that the rate finally found to be appropriate for the sale by the Commission is less than the contract rate which has been collected subject to refund. Of course, with respect to sales made from the offshore Federal domain, all sales will be restricted to the rate prescribed in Opinion No. 699, and no sales or deliveries of gas may be made from the region at a price which is in excess of the price which would be allowed if the sale or deliveries were made pursuant to Opinion No. 699.

A collateral matter which must be considered with respect to the reinstatement of the limited-term certification procedures is the dependence of § 2.70 (b)(3) upon paragraph 12 of the notice of July 17, 1970, in Docket No. R-389-A (35 FR 11638). Since the recission of Paragraph 12 is not before the Commission on rehearing of Opinion No. 699, it is necessary to modify § 2.70(b)(3) to state that limited-term certificate authority depends solely upon that section.

The standards which will govern rate determinations and the issuance of a certificate of public convenience and necessity at a rate in excess of the rate prescribed in Opinion No. 699 for limited term sales from the domains of the several states will be as follow. The applicants will have the burden of demonstrating by substantial evidence that the price for which certification is sought is the lowest price at which that particular supply of gas may be obtained for the interstate market and that the supply of gas is available only for the limited period for which certification is sought. We realize that these are general guidelines and state that rates allowed in any given case will not constitute a determination that equivalent rates would be approved in another case.

The Commission further finds that it is in the public interest to reinstate the emergency sales provisions of § 157.29 (18 CFR 157.29) and the limited term certificate authority of § 2.70 (18 CFR 2.70) with the modifications set forth in this opinion for the reasons stated therein.

The Commission, acting pursuant to the provisions of the Natural Gas Act, as amended, particularly sections 4, 5, 7, 8, 14, 15, and 16 thereof (52 Stat. 822, 823, 824, 825, 828, 829, 830 (1938); 56 Stat. 83, 84 (1942); 61 Stat. 459 (1947); 76 Stat. 72 (1962); 15 U.S.C. 717c, 717d, 717f, 717g, 717m, 717n, 717o (1970)) *orders:*

A. Section 2.70 of the Commission's General Policy Statements and Interpretations, Part 2 of Subchapter A of Chapter 1, Title 18 of the Code of Federal Regulations, is amended by reinstating and amending § 2.70(b)(3) as follows:

§ 2.70 Measures for the protection of reliable and adequate natural gas service.

* * * * *

(b) * * *

(3) The Commission, recognizing that additional short-term purchases of natural gas may be necessary to meet a pipeline's system demands for the immediate future, will continue the sixty (60) day emergency sales commenced under § 157.29 (18 CFR 157.29) pursuant to the certification provisions of this subsection. If a pipeline demonstrates continued emergency need, after complying with paragraphs (b) (1) and (2) of this section, the Commission will consider authorizing the pipeline to make gas purchases for a limited term at a rate above the national rate level prescribed in § 2.56(h) (18 CFR 2.56(h)) and will authorize abandonment of the sale at the time the certificate is issued if the same is demonstrated to be in the public interest. *Provided, however,* The certification authority set forth in this section shall apply to sales of natural gas from the offshore Federal domain only where the sales are made at the rate prescribed in § 2.56(h).

B. Part 157 of the regulations Under The Natural Gas Act, Part 157 of Subchapter E of Chapter I, Title 18 of the Code of Federal Regulations, is hereby amended by reinstating § 157.29, as amended:

§157.29 Exemption of Emergency Sales or Transportation.

Public interest does not require the issuance of a certificate authorizing the sale or transportation of natural gas by an independent producer where imminent danger to life and property can be eliminated by such sale or transportation or where the sale or transportation of natural gas is necessary to assure maintenance of adequate natural gas service on the purchaser's pipeline system or where serious curtailment of service exists or is threatened on purchaser's system because of failure of facilities or failure or curtailment of supply or unusual and unexpected demand on such facilities or supply, and where such sale or transportation is limited to a single period of not more than sixty (60) days: *Provided, however,* That:

(a) Every person undertaking such a purchase shall so advise the Commission immediately by telegram or letter stating briefly the circumstances and shall within ten (10) days file a statement in writing and under oath, together with four (4) conformed copies thereof, setting forth the purpose and character of the sale, transportation, or purchase, the rate being charged, the estimated volumes to be delivered, the seller of the gas, the date of initial delivery, the location of the sale, the facts warranting invocation of this section, and the anticipated period of the stated emergency, and, upon completion of the sale, shall advise the Commission of the actual volumes delivered and the price received therefor under contract pursuant to this section.

(b) Emergency operations undertaken without certificate authorizations pursuant to paragraph (a) of this section shall be discontinued upon the expiration of the 60-day period. All facilities installed for such temporary acts or operations shall be promptly removed after expiration of the exempt period of operation. Every person shall advise the Commission in writing and under oath within ten (10) days following the removal of facilities constructed for emergency operations pursuant to this section of the regulations. Every person undertaking any such construction or operation, pursuant to this Section desiring to retain such facilities in place shall file applications for certificates of public convenience and necessity pursuant to the regulations under the Natural Gas Act with the Commission within fifteen (15) days of the commencement of deliveries under this section.

(c) No emergency sale or transportation of natural gas in interstate commerce undertaken pursuant to the authority of this Section shall be extended beyond the sixty (60) day period unless the seller shall have within fifteen (15) days of the commencement of deliveries filed an application for a permanent or temporary certificate pursuant to 18 CFR 2.56(h), 2.70(b)(3), 2.75, or 157.28 prior to the expiration of the sixty (60) day period. Any such continuation of deliveries at a rate in excess of the rate prescribed in § 2.56(h) (18 CFR 2.56(h)) will be subject to refund if the rate is in excess of the rate finally found to be appropriate by the Commission.

(d) All deliveries made pursuant to this section from the offshore Federal domain shall be made at the rate prescribed in § 2.56(h).

All other issues raised by petitions for rehearing of Opinion No. 699 other than the issues upon which rehearing is granted in Ordering Paragraphs A. and B., supra, are hereby reserved by the Commission for further consideration on the merits.

The Secretary of the Commission shall cause prompt publication of this opinion and order in the FEDERAL REGISTER.

By the Commission.

[SEAL] KENNETH F. PLUMB, *Secretary.*

[FR Doc.74-21288 Filed 9-13-74;8:45 am]

Title 19—Customs Duties

CHAPTER I—UNITED STATES CUSTOMS SERVICE

[T.D. 74-237]

PART 159—LIQUIDATION OF DUTIES

Countervailing Duties—X-Radial Steel Belted Tires From Canada

Notice of new estimated rate of countervailing duties under section 303, Tariff Act of 1930, by reason of the payment or bestowal of a bounty or grant upon the manufacture, production, or exportation of X-radial steel belted tires, from Canada.

In the FEDERAL REGISTER of January 8, 1973 (38 FR 1018), the Commissioner of Customs gave notice that the United States Customs Service had determined that exports of X-radial steel belted tires, manufactured by Michelin Tire Manufacturing Company of Canada, Ltd., are subject to bounties or grants within the meaning of section 303, Tariff Act of 1930 (19 U.S.C. 1303).

At that time, notice was given that X-radial steel belted tires, manufactured by Michelin Tire Manufacturing Company of Canada, Ltd., imported directly or indirectly from Canada, if entered for consumption or withdrawn from warehouse for consumption after the expiration of 30 days after publication of that notice in the Customs Bulletin, would be subject to the payment of countervailing duties equal to the net amount of any bounty or grant determined or estimated to have been paid or bestowed.

In accordance with section 303, the amount of such bounty or grant was estimated to be 6.6 percent of the f.o.b. value of each tire. On the basis of information presently available, the amount of such bounty or grant applicable to shipments of X-radial steel belted tires, manufactured by Michelin Tire Manufacturing Company of Canada, Ltd., imported directly or indirectly from Canada, entered for consumption or withdrawn from warehouse on or after January 1, 1974, is estimated to be 3.7 percent of the f.o.b. value of each tire. Accordingly, until further notice, upon entry for consumption or withdrawal from warehouse for consumption of such dutiable X-radial steel belted tires, manufactured by Michelin Tire Manufacturing Company of Canada, Ltd., imported directly or indirectly from Canada which benefit from such bounties or grants, there shall be collected, in addition to any other duties estimated or determined to be due, estimated countervailing duties of 3.7 percent of the f.o.b. value of each tire.

The liquidation of all entries for consumption or withdrawals from warehouse for consumption of such dutiable X-radial steel belted tires, manufactured by Michelin Tire Manufacturing Company of Canada, Ltd., imported directly or indirectly from Canada which benefit from such bounties or grants and are subject to the order shall continue to be suspended pending declarations of the net amounts of the bounties or grants paid or bestowed.

The table in § 159.47(f) of the Customs regulations (19 CFR 159.47(f)) is amended by inserting after the last entry for Canada "X-radial steel belted tires manufactured by Michelin Tire Manufacturing Company of Canada, Ltd." the number of this Treasury Decision in the column headed "Treasury Decision," and the words "New estimated rate" in the column headed "Action."

(R.S. 251, as amended; secs. 303, 624, 46 Stat. 687, 759; 19 U.S.C. 66, 1303, 1624)

[SEAL] VERNON D. ACREE,
Commissioner of Customs.

Approved: September 10, 1974.

PETER O. SUCHMAN,
Acting Assistant Secretary of the Treasury.

[FR Doc.74-21350 Filed 9-13-74;8:45 am]

[T.D. 74-236]

PART 175—PETITIONS BY AMERICAN MANUFACTURERS, PRODUCERS, AND WHOLESALERS

Filing and Inspection Requirements

Section 175.21, Customs Regulations, amended to require publication of a notice in the FEDERAL REGISTER when a petition is filed by an American manufacturer, producer, or wholesaler under section 516, Tariff Act of 1930, as amended.

On October 3, 1973, a notice of proposed rulemaking was published in the FEDERAL REGISTER (38 FR 27404) setting forth proposed amendments to § 175.21 of the Customs Regulations (19 CFR 175.21), which would require that notice be given to interested parties when a petition is filed by an American manufacturer, producer, or wholesaler pursuant to section 516, Tariff Act of 1930, as amended. The giving of notice would permit a more informed decision on the petition, and would result in a more equitable procedure by permitting interested parties to present their views on the questions raised by the petition. The amendment provides for the publication of a notice in the FEDERAL REGISTER that a petition has been filed under section 516, and provides an opportunity for comment by interested parties.

After reviewing the comments received in regard to the proposed amendment, the wording of § 175.21(b) has been further amended to specify that a petition filed by an American manufacturer is to be made available to interested parties for inspection in accordance with § 103.8(b) of the Customs regulations. In addition, the reference to § 103.7 of the Customs regulations, in proposed § 175.21 (b), is changed to "103.10" to conform with the revision of Part 103 set forth in T.D. 73-310 (38 FR 31167).

Accordingly, § 175.21 of the Customs regulations (19 CFR 175.21) is amended to read as follows:

§ 175.21 Notice of filing of petition, inspection of petition, and inspection of documents and papers.

(a) *Notice of filing of petition.* Upon the filing of a petition, a notice shall be published in the FEDERAL REGISTER setting forth that a petition has been filed by an American manufacturer, producer, or wholesaler, identifying the merchandise which is the subject of the petition, and its present and claimed appraised value or classification or rate of duty. The notice shall invite interested persons to make such written submissions as they desire within such time as is specified in the notice.

(b) *Inspection of petition; inspection of documents and papers.* The petition filed by an American manufacturer, producer, or wholesaler will be made available for inspection by interested parties in accordance with the provisions of § 103.8(b) of this chapter. However, neither a petitioner nor other interested parties shall in any case be permitted to inspect documents or papers of the consignee or importer which are exempted from disclosure by section 103.10 of this chapter.

(R.S. 251, as amended, secs. 516, 624, 46 Stat. 735, as amended, 759; 5 U.S.C. 552, 19 U.S.C. 66, 1516, 1624)

Effective date. These amendments shall become effective October 16, 1974.

[SEAL] G. R. DICKERSON,
Acting Commissioner of Customs.

Approved: September 9, 1974.

DAVID R. MACDONALD,
Assistant Secretary of the Treasury.

[FR Doc.74-21351 Filed 9-13-74;8:45 am]

Title 20—Employee's Benefits

CHAPTER III—SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Reg. No. 16]

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED (1974- ——)

Subpart A—Introduction, General Provisions, and Definitions

GRANDFATHER PROVISIONS AND DEFINITIONS

Correction

In FR Doc. 74-20354 appearing at page 32024 in the issue for Wednesday, September 4, make the following corrections to 416.121(a):

1. Insert the following between the fifteenth and sixteenth lines of § 416.121 (a): "of such State plan but did not in fact re-".

2. In the eighteenth line of § 416.121 (a) change the word "pdovisions" to read "provisions."

Title 21—Food and Drug

CHAPTER I—FOOD AND DRUG ADMINISTRATION

PART 121—FOOD ADDITIVES

CFR Correction

In Title 21, Code of Federal Regulations, (Parts 10-129) revised as of April 1, 1974, in Part 121, § 121.2514 appearing on page 505, the following paragraph should appear in alphabetical order within § 121.2514(b)(3)(xv).

Vinyl chloride - acetate - 2,3 - epoxypropyl methacrylate copolymers containing not more than 10 weight percent of total polymer units derived from 2,3-epoxypropyl methacrylate and not more than 0.1 weight percent of unreacted 2,3-epoxypropyl methacrylate monomer for use in coatings for containers intended to contact food only, of the types identified in paragraph (d) of this section, Table 1, under Categories IV–A, V, VII, and VIII.

Title 23—Highways

CHAPTER I—FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

SUBCHAPTER G—ENGINEERING AND TRAFFIC OPERATIONS

PART 655—TRAFFIC CONTROL

Traffic Surveillance and Control

A Federal-aid to highways directive of long-standing (PPM 21–21) has set forth provisions to establish policies and procedures relating to the expenditures of Federal-aid highway funds for traffic surveillance and control measures to reduce congestion, improve traffic flow, and increase safety. The directive has been revised for inclusion in the Federal-aid Highway Program Manual. Inasmuch as portions of the Manual addition impose an obligation on States which must be complied with to obtain Federal assistance those portions are hereby published.

This regulation converts Policy and Procedure Memorandum 21–21 on Traffic Surveillance and Control to Part 655, Subpart D of Chapter 1 of Title 23 of the Code of Federal Regulations.

Since the matters affected relate to grants, benefits, or contracts within the purview of 5 U.S.C. 553(a)(2), general notice of proposed rulemaking is not required.

This regulation will be effective on the date of issuance as set forth below.

Subpart D—Traffic Surveillance and Control

Sec.

655.401 Purpose.
655.402 Objectives.
655.403 Definitions.
655.404 General system characteristics.
655.405 Traffic engineering analyses.
655.406 Eligibility.
655.407 Project administration.
655.408 Maintenance of traffic surveillance and control improvements.
655.409 Evaluation.

AUTHORITY: 23 U.S.C. 101(a) and 315 and 49 CFR 1.48.

Subpart D—Traffic Surveillance and Control

§ 655.401 Purpose.

This part establishes policies and procedures relating to the expenditure of Federal-aid highway funds for traffic surveillance and control measures to reduce congestion, improve traffic flow, and increase safety.

§ 655.402 Objectives.

The principal objectives of this part are:

(a) To promote utilization of proven technology and traffic operational strategies for improving the efficiency and safety of traffic flow.

(b) To outline procedures for determining effective utilization of traffic surveillance and control measures.

(c) To define those surveillance and/or control designs, operations, and devices which are eligible for installation and participation using Federal-aid highway construction funds.

(d) To outline procedures for the administration of such projects.

§ 655.403 Definitions.

For the purpose of this part the following definitions shall apply:

(a) "Traffic surveillance" is the act of continuously obtaining traffic flow data for the purpose of qualitative or quantitative analysis.

(b) "Traffic control" is the act of regulating, guiding, or warning traffic by mechanical and/or electrical means.

(c) "Traffic surveillance and control" is the act of obtaining traffic data, analyzing these data and with this analysis as a basis, causing traffic control and/or traffic information displays to be actuated at one or several locations within an area, on a street, or on a highway facility.

(d) "A traffic surveillance and control system" is the assembly of necessary components, which may include automatic data collection capability, into a configuration suitable for providing traffic surveillance and control.

(e) "Ramp control" is the regulation of traffic flow on expressway or freeway entrance ramps utilizing traffic control devices and measures.

§ 655.404 General system characteristics.

The general purpose of traffic surveillance and control is to improve the safety and quality of traffic flow by preventing or relieving congestion.

§ 655.405 Traffic engineering analyses.

(a) The recommendation of a traffic surveillance and control system shall be based on traffic engineering analyses of the use and physical features of the highway facility, section, or network under consideration. The depth and complexity of the analyses should be consistent with the extent of the problem to be solved. Data available from existing and continuing traffic engineering studies, transit improvement efforts, the transportation planning process, and other sources should be fully utilized in the engineering analyses.

(b) The analyses should identify those locations, and sections of highway facility or network which experience critical operational problems or are predicted to experience such problems regularly under normal daily traffic demand and environmental conditions, and for which traffic surveillance and/or control can be expected to provide improved traffic flow and safety.

(c) The analyses should define the limits of the area within which automatic traffic surveillance and control is considered feasible prior to completing the design of a comprehensive system.

(d) The analyses for all types of surveillance and control systems shall include consideration of alternative concepts, configurations, and devices. In each case, the alternate possibilities shall include special consideration for provision of the supervisory component and the communication component.

(e) Existing traffic laws, ordinances, and regulations relevant to the effective operation of the proposed system shall be reviewed to insure compatability with proposed systems.

§ 655.406 Eligibility.

Traffic surveillance and control projects on the Federal-aid highway system are eligible for funds apportioned under 23 U.S.C., 104(b). Eligible items include, but are not limited to, the following:

(a) Preliminary engineering including necessary traffic engineering analysis.

(b) Preparation of software and initial programing of system operation where pertinent. Utilization of Federal Highway Administration-developed software products shall be given priority consideration in the implementation of traffic surveillance and contol systems. In those systems which are designed to provide the basic functions which such software now provides or is scheduled to provide in the future, as a result of continuing research and development, the Federal Highway Administration-developed software may not be excluded from consideration. This consideration shall be on a cost competitive basis with other acceptable concepts providing equivalent functions. In those cases where utilization of such products is excluded from proper consideration, pertinent elements of the project may not be eligible for Federal-aid participation.

(c) Hardware acquisition and installation including, but not limited to, the following:

(1) Appropriate surveillance equipment to automatically obtain traffic operations data that will be utilized to control traffic flow or otherwise improve traffic operation.

(2) Nonautomatic surveillance equipment such as closed circuit television to provide rapid response to incidents or visual confirmation of control actions, in those situations for which its application is especially suited and justified such as tunnels, operation of movable bridges, reversible or preferential lane use systems, major complex urban interchanges, or other problem areas.

(3) Appropriate traffic control display equipment.

(4) Appropriate supervisory control equipment. Federal-aid participation in computers shall be limited to the costs of equipment which is adequate for the current tasks and capable of expansion to handle such needs for a period of up to 10 years.

(5) Communication equipment including the transmission link and necessary interface elements. Where telephone lines constitute the transmission link, only that portion of the leasing charge for a 10-year period, which represents construction costs, is an eligible item.

(d) Housing that is appropriate and necessary for the supervisory control component.

(e) Evaluation, following installation, in accordance with requirements outlined in § 655.409.

§ 655.407 Project administration.

(a) Project approval actions will be with the division engineer subject to review by the regional administrator prior to approval of plans, specifications, and estimates.

(b) The plans, specifications, and estimates submittal shall include a total system acceptance plan for hardware and software to verify the performance of specified system functions. An evaluation work plan as outlined in § 655.409 shall be included.

(c) Information regarding contractor and manufacturer guarantees and warranties is furnished in Volume 6, Chapter 4, section 2, subsection 5 of the Federal-aid Highway Program Manual.

§ 655.408 Maintenance of traffic surveillance and control improvements.

(a) The full potential for improving the efficiency of a highway facility or network through the utilization of surveillance and control measures can be realized only if the system installed is operated and maintained by an adequate and well-trained staff of traffic engineers and technicians.

(b) Maintenance requirements are in accordance with 23 U.S.C. 116.

§ 655.409 Evaluation.

(a) The State shall evaluate all traffic surveillance and control projects installed with Federal-aid highway fund participation.

(b) The evaluation procedure should be designed to measure the effects that surveillance and control have had on safety and traffic flow quality. To do this, the evaluation must reflect comparisons of effectiveness measurements determined prior to operation of the control components of the system with those determined under system operation. Traffic safety and efficiency parameters such as volumes, accidents, accident rates, travel speed, travel time, delay, density, etc., should be used.

(c) Evaluation should be scheduled to begin at the earliest possible date that will accurately reflect stable operating conditions.

(d) Evaluation reports, in summary report form, should be forwarded through the division engineer who will transmit copies to the Region Office and the Office of Traffic Operations.

(e) These requirements apply only to the evaluation performed immediately following the initiation of system operation.

Issued on: September 6, 1974.

NORBERT T. TIEMANN,
Federal Highway Administrator.

[FR Doc.74-21274 Filed 9-13-74;8:45 am]

Title 39—Postal Service

CHAPTER I—U.S. POSTAL SERVICE

SUBCHAPTER E—RESTRICTIONS ON PRIVATE CARRIAGE OF LETTERS

COMPREHENSIVE STANDARDS FOR PERMISSIBLE PRIVATE CARRIAGE

Carriage of Letters and Enforcement and Suspension of the Private Express Statutes

Introduction. On July 2, 1973, the Postal Service published in the FEDERAL REGISTER, 38 FR 17512–16, a notice of proposed rulemaking on this subject, setting forth proposed regulations and inviting written views and arguments from interested persons. Following review of the numerous comments that were submitted in response to this first proposal, the Postal Service revised its proposed regulations to reflect many points raised in the comments and, on January 31, 1974, published a second proposal for further public comment, 39 FR 3968–74. The Postal Service has further revised its proposed regulations to reflect many points raised in the comments in response to the second proposal and is now publishing final regulations, which will become effective on October 20, 1974.

The basis and purpose of these regulations have been described in the two publications of proposed regulations and will not—generally speaaking—be restted below. Nor will the reasons for accepting or rejecting comments be restated insofar as they have been previously set forth. The following discussion is intended principally to cover new material raised in the comments on the second proposal and suggested by changes embodied in the final regulations.

HIGHLIGHTS OF THE FINAL REGULATIONS

(a) *Suspensions for newspapers and periodicals.* A number of the comments reflected continuing objections to the proposed suspension of the statutory restrictions so as to provide for the private carriage of newspapers and periodicals. Similar comments raised the same point in respect to certain other mailable matter—principally checks. Although, as previously explained, the proposed suspensions may provide the firmest possible support for the conclusion that the matter in question (newspapers, periodicals, checks, certain legal papers, etc.) should be permitted carriage outside of the mails, we have largely met the point of these objections (i.e., that suspensions might be revoked in the future) by relocating the provisions permitting carriage of the matter in question, placing them in the definitional section of the regulations, § 310.1. However, our suspension authority in 39 U.S.C. § 601(b) has been relied upon to the extent it is required as a predicate for establishing these exceptions to the prohibitions on the private carriage of letters.

(b) *Suspension for intra-company materials.* The final regulations omit this suspension. In first proposing this suspension a year ago, we were concerned with the magnitude of the possible loss of revenue to the Postal Service and with problems of enforcing the limitations that had been written into the proposed suspension. Accordingly, we proposed a reporting system intended to reflect the amount of business being done and to facilitate enforcement of the limitations. Many of the comments received stressed that the reporting system would be unworkable. Since we recognize some merit in these comments, we have had to consider whether to go forward with the suspension without an adequate system of reporting or whether to drop the suspension.

Our decision to choose the latter alternative springs partly from two developments within the postal system since the suspension was first proposed. First, the Postal Service's Express Mail program—providing long-distance courier-speed delivery of letters in many markets—has developed to the point that more of the public need for rapid service can now be met by the Postal Service than was true in the past. Second, financial conditions in the Postal Service today require that the most careful consideration be given to any proposal that might curtail postal revenues, particularly if the curtailment could be large and its control difficult. For these principal reasons, we have concluded that the Postal Service should not exercise its discretion to suspend the Private Express Statutes as to intra-company letters.

(c) *Suspension for data processing materials.* A number of comments suggested changes in the suspension for data processing materials. Several suggested providing more time for the completion of allowable private transmission when distances are greater. Since the suspension is intended to cover the transmission of materials that are so urgently needed that transmission through the mails is clearly too slow to be acceptable, the transmission times provided seem reasonable on shipments between domestic points and further liberalization for such shipments does not seem warranted. On international shipments, however, the final rules provide that the delivery period will be deemed to begin or end when the shipment enters or leaves the international gateway city.

Certain comments urged the deletion of the requirement that data processing materials qualifying for the suspension be produced on a regular periodic basis. The need for a suspension has not been demonstrated for irregular and special shipments, however, and the definition has not been loosened in the final rules.

Various comments asked that the requirement that data processing work commence within 36 hours of receipt of the materials at the processing center be eliminated. Since the suspension is intended only to cover cases of real need for rapid transmission, a time limit on the commencement of processing work