

boiler, greater carbon burnout can increase boiler efficiency from one to four percent. The reinjection of collected ash also significantly increases the dust loading since the sand is also recirculated with the fly ash. This increased dust loading can be accommodated by the use of sand separators or decantation type dust collectors. Collectors of this type in combination with more efficient units of air pollution control equipment constitute the systems currently in operation on existing plants that were found to operate with emissions less than the 43 nanograms per joule (0.10 pounds per million Btu) standard for particulate matter.

A survey of currently operated facilities that fire wood residue alone or in combination with fossil-fuel shows that most operate with mechanical collectors; some operate with low energy wet scrubbers, and a few facilities currently use higher energy venturi scrubbers (HEVS) or electrostatic precipitators (ESP). One facility reviewed is using a high temperature baghouse control system.

Currently, the use of multitube-cyclone mechanical collectors on hogged-fuel boilers provides the sole source of particulate removal for a majority of existing plants. The most commonly used system employs two multiclones in series allowing for the first collector to remove the bulk of the dust and a second collector with special high efficiency vanes for the removal of the finer particles. Collection efficiency for this arrangement ranges from 65 to 95 percent. This efficiency range is not sufficient to provide compliance with the particulate matter standard, but does provide a widely used first stage collection to which other control systems are added.

Of special note is one facility using a Swedish designed mechanical collector in series with conventional multiclone collectors. The Swedish collector is a small diameter multitube cyclone with a movable vane ring that imparts a spinning motion to the gases while at the same time maintaining a low pressure differential. This system is reducing emissions from the largest boiler found in the review to 107 nanograms per joule.

Electrostatic precipitators have been demonstrated to allow compliance with the particulate matter standard when coal is used as an auxiliary fuel. Available information indicates that this type of control provides high collection efficiencies on combination wood residue coal-fired boilers. One ESP collects particulate matter from a 50 percent bark, 50 percent coal combination fired boiler. An emission level of 13 nanograms per joule (.03 pounds per million Btu) was obtained using test methods recommended by the

American Society of Mechanical Engineers.

The fabric filter (baghouse) particulate control system provides the highest collection efficiency available, 99.9 percent. On one facility currently using a baghouse on a wood residue-fired boiler, the sodium chloride content of the ash being filtered is high enough (70 percent) that the possibility of fire is practically eliminated. Source test data collected with EPA Method 5 showed this system reduces the particulate emissions to 5 nanograms per joule (0.01 pounds per million Btu).

The application of fabric filters to control emissions from hogged fuel boilers has recently gained acceptance from several facilities of the paper and pulp industry, mainly due to the development of improved designs and operation procedures that reduce fire hazards. Several large sized boilers, firing salt and non-salt laden wood residue, are being equipped with fabric filter control systems this year and the performance of these installations will verify the effectiveness of fabric filtration.

Practically all of the facilities currently meeting the new source particulate matter standard are using wet scrubbers of the venturi or wet-impinger type. These units are usually connected in series with a mechanical collector. Three facilities reviewed which are using the wet-impingement type wet scrubber on large boilers burning 100 percent bark are producing particulate emissions well below the 43 nanograms per joule standard at operating pressure drops of 1.5 to 2 kPa (6 to 8 inches, H₂O). Five facilities using venturi type wet scrubbers on large boilers, two burning half oil and half bark and the other three burning 100 percent bark, are producing particulate emissions consistently below the standard at pressure drops of 2.5 to 5 kPa (10 to 20 inches, H₂O).

One facility has a large boiler burning 100 percent bark emitting a maximum of 5023 nanograms per joule of particulate matter into a multi-cyclone dust collector rated at an efficiency of 87 percent. The outlet loading from this mechanical collector is directed through two wet impingement-type scrubbers in parallel. With this arrangement of scrubbers, a collection efficiency of 97.7 percent is obtained at pressure drops of 2 kPa (8 inches, H₂O). Source test data collected with EPA Method 5 showed particulate matter emissions to be 15 nanograms per joule, well below the 43 nanograms per joule standard.

Another facility with a boiler of similar size and fuel was emitting a maximum of 4650 nanograms per joule into a multi-cyclone dust collector operating at a collection efficiency of 66 per-

cent. The outlet loading from this collector is drawn into two wet-impingement scrubbers arranged in parallel. The operating pressure drop on these scrubbers was varied within the range of 1.6 to 2.0 kPa (6 to 8 inches, H₂O), resulting in a proportional decrease in discharged loadings of 25.8 to 18.5 nanograms per joule. Source test data collected on this source was obtained with the Montana Sampling Train.

Facilities using a venturi type wet scrubber were found to be able to meet the 43 nanogram per joule standard at higher pressure drops than the impingement type scrubber. One facility with a large boiler burning 100 percent bark had a multi-cyclone dust collector in series with a venturi wet scrubber operating at a pressure drop of 5 kPa (20 inches, H₂O). Source test data using EPA Method 5 showed this system consistently reduces emissions to an average outlet loading of 17.2 nanograms per joule of particulate matter. Another facility with a boiler burning 40 percent bark and 60 percent oil has a multi-cyclone and venturi scrubber system obtaining 25.8 nanograms per joule at a pressure drop of 2.5 kPa (10 inches, H₂O). The Florida Wet Train was used to obtain emission data on this source. A facility of similar design but burning 100 percent bark is obtaining the same emission control, 25.8 nanograms per joule, at a pressure drop of 3 kPa (12 inches, H₂O). Source test data collected on this source were obtained with the EPA Method 5.

This review has shown that the use of a wet scrubber, ESP, or a baghouse to control emissions from wood bark boilers will permit attainment of the particulate matter standard under 40 CFR Part 60. The control method currently used which has the widest application is the multitube cyclone collector in series with a venturi or wet-impingement type scrubber. Source test data have shown that facilities which burn substantially more wood residue than fossil-fuel have no difficulty in complying with the 43 nanogram per joule standard for particulate matter. Also the investigated facilities have been in operation successfully for a number of years without adverse economical problems. Therefore EPA has concluded from evaluation of the available information that no revision is required of the particulate matter standard for wood residue-fired boilers.

Dated: January 3, 1979.

DOUGLAS M. COSTLE,
Administrator.

(FR Doc. 79-1421 Filed 1-16-79; 8:45 am)

[7035-01-M]

Title 49—Transportation

CHAPTER X—INTERSTATE
COMMERCE COMMISSION

SUBCHAPTER C—ACCOUNTS, REPORTS, AND
RECORDS

[Docket No. 36873]

PART 1201—RAILROAD COMPANIES

Subpart A—Uniform System of
Accounts

JANUARY 10, 1979.

DEFINITION OF RAIL TRANSPORTATION
PROPERTY

AGENCY: Interstate Commerce Commission.

ACTION: Final rule.

SUMMARY: The Railroad Revitalization and Regulatory Reform Act of 1976 made it illegal for a State to levy or collect an ad valorem property tax on rail transportation property at a tax rate that exceeds the tax rate applicable to commercial and industrial property in the same assessment jurisdiction. This final rule defines rail transportation property to include all property and other assets that comprise the entire operating unit devoted to the rail transportation service. This revision will provide a uniform definition for State taxing authorities to use in determining ad valorem and other property taxes for railroads.

DATES: This rule is effective for the year beginning January 1, 1979.

FOR FURTHER INFORMATION
CONTACT:

Bryan Brown, Jr., Chief, Section of
Accounting, Tele. No. (202) 275-7448.

SUPPLEMENTAL INFORMATION: Section 306 of the Railroad Revitalization and Regulatory Reform Act (4-R Act) added a new section to the Interstate Commerce Act, section 11503 (formerly section 28), which makes it unlawful for any State to levy or collect an ad valorem property tax on rail transportation property at a tax rate that exceeds the tax rate applicable to commercial and industrial property in the same assessment jurisdiction (49 U.S.C. 11503(b)(3)). "Rail transportation property" means property, as defined by the Commission (49 U.S.C. 11503 (a)(3)). In a notice of proposed rulemaking published August 3, 1978 (43 FR 34172), the Commission noted that its interpretation of rail transportation property did not consider cash, accounts receivable, materials and supplies and the franchise or "going concern" value, thus making it possible for some States to circumvent the

intent of section 306. The Commission proposed to redefine rail transportation property to include all assets comprising the entire operating unit devoted to transportation service.

In response to its notice, the Commission received comments from Western Pacific Railroad Company (WPRC), the Association of American Railroads (AAR), and Trailer Train Company (TTX) and American Rail Boxcar Company (Railbox).

WPRC expressed its concern that the revised definition, which includes a Railroad's "going concern" value, could lead to increased Federal income taxes for certain railroads. In recent Federal tax cases, the courts have ruled that, in acquisitions where going concern value is included in the adjusted tax basis of the assets, the tax basis of depreciable property must be reduced by the going concern value. This reduction in basis would lessen the depreciation expense, which would correspondingly increase income taxes. The Commission believes that section 11503(a) makes it clear that the definition of "Rail transportation property" being adopted in this proceeding applies only for purposes of section 11503. This definition does not affect transportation property as defined by the Internal Revenue Code nor does it affect the tax basis of depreciable property for Federal income tax purposes.

In response to the concern expressed by TTX and Railbox, the Commission has adopted a definition which clearly indicates that rail transportation property includes equipment held under lease or pooling agreements. This has always been the Commission's intent. In a notice published May 10, 1976 (41 FR 19185), the Commission stated that transportation property leased from others, that is used but not owned, will be considered transportation property if such property would be included in Account 731, Road and equipment property, and Account 732, Improvements on leased property, if owned.

In its comments, AAR unconditionally endorsed the revised definition and expressed its belief that it will provide for more effective interpretation of accounting regulations.

This is not a major Federal action significantly affecting the quality of the human environment.

This action is taken under the authority of 49 U.S.C. 10311 and 11142 and 5 U.S.C. section 553.

It is ordered: 49 CFR part 1201, Subpart A is amended by adding definition Number 33 "Rail Transportation Property" to "Regulations Prescribed," section (ii), "Definitions," as set forth below.

Decided December 13, 1978.

By the Commission, Chairman
O'Neal, Vice Chairman Christian,
Commissioners Brown, Stafford,
Gresham and Clapp.

H.G. HOMME, Jr.,
Secretary.

33. "Rail Transportation Property." Rail transportation property is all property and other assets, irrespective of ownership, that comprise the entire operating unit devoted to rail transportation service. This definition comprises the following accounts:

- 701 Cash
- 702 Temporary cash investments
- 703 Special deposits
- 704 Loans and notes receivable
- 705 Accounts receivable—interline and other balances
- 706 Accounts receivable—customers
- 707 Accounts receivable—other
- 708.5 Receivables with affiliated companies
- 709 Accrued accounts receivable
- 710 Working funds
- 711 Prepayments
- 712 Material and supplies
- 713 Other current assets
- 714 Deferred income tax charges
- 731 Road and equipment property
- 732 Improvements on leased property

[FR Doc. 79-1373 Filed 1-16-79; 8:45 am]

[7035-01-M]

[Ex Parte No. MC-85]

PART 1062—SPECIAL REGULATIONS
FOR FOR-HIRE MOTOR CARRIERS
ENGAGED IN THE TRANSPORTA-
TION FOR RECYCLING OR REUSE
OF "WASTE" PRODUCTS IN FUR-
THERANCE OF RECOGNIZED POL-
LUTION CONTROL PROGRAMS

Statement of Policy

AGENCY: Interstate Commerce Commission.

ACTION: Statement Policy.

SUMMARY: This statement is being issued by the Commission to inform the public that the Commission no longer follows the practice of limiting grants of authority to participate in the Special Certificate of Public Convenience and Necessity (49 CFR 1062.1(e)) to specified points. Therefore, when the Commission publishes the notice of the filing of an application, it will not longer specify the specific points applicant seeks to serve.

EFFECTIVE DATE: This policy is effective January 17, 1979.

FOR FURTHER INFORMATION
CONTACT:

Michael Erenberg (202) 275-7292.

SUPPLEMENTARY INFORMATION: The Special Rules set forth in 49 CFR 1062.1 govern the filing and handling of applications seeking the right to operate pursuant to a special certificate of public convenience and necessity authorizing operations in interstate or foreign commerce, by motor vehicle over irregular routes, of "waste" products for recycling or reuse in furtherance of recognized pollution control programs, between all points in the United States (including Alaska and Hawaii). Under this regulation, once an applicant has established that it seeks to transport "waste" products pursuant to a "recognized pollution control program," as these terms are used in the regulation, and that it is otherwise fit, it is entitled to participate in the Special Certificate. In the past, the Commission's notice of the authority sought published in the FEDERAL REGISTER specified the points to be served. Grants of authority were limited to these points. The Commission no longer follows the practice of limiting grants of authority to participate in the special certificate to specified points. The particular points an applicant serves are limited only by the tariffs it files with the Commission. Therefore, pursuant to 49 CFR 1062.1(d), it is now the policy of the Commission to publish in the FEDERAL REGISTER a notice of each applicant's intention to participate in the special certificate of public convenience and necessity "between points in the United States". The specific commodities sought as well as a named sponsor or sponsors will continue to be listed in the FEDERAL REGISTER notice. The appendix to this notice contains a sample FEDERAL REGISTER notice under the new policy.

Dated December 20, 1978.

By the Commission, Chairman O'Neal, Vice Chairman Christian, Commissioners Brown, Stafford, Gresham, and Clapp. Commissioner Stafford dissenting.

H. G. HOMME, Jr.,
Secretary.

APPENDIX—SAMPLE FEDERAL REGISTER NOTICE

INTERSTATE COMMERCE COMMISSION

TRANSPORTATION OF "WASTE" PRODUCTS FOR REUSE OR RECYCLING

SPECIAL CERTIFICATE LETTER NOTICE(S)

The following letter notices request participation in a Special Certificate of Public Convenience and Necessity for the transportation of "waste" products for reuse or recycling in furtherance of a recognized pollution control program under the Commission's regulations (49 CFR 1062) promulgated in "Waste" Products, Ex Parte No. MC-85, 124 M.C.C. 583 (1976). Requests are processed as seeking authority between all points in the United States.

An original and one copy of protests (including protestant's complete argument and evidence) against applicant's participation may be filed with the Interstate Commerce Commission *within 20 days* from the date of this publication. A copy must also be served upon applicant or its representative. Protests against the applicant's participation will not operate to stay commencement of the proposed operation.

If the applicant is not otherwise informed by the Commission, operations may commence *within 30 days* of the date of its notice in the FEDERAL REGISTER, subject to its tariff publication effective date.

P-O-79 (SPECIAL CERTIFICATE—WASTE PRODUCTS) Filed July 25, 1979. Applicant: ABC CARRIERS CORPORATION, P.O. Box 000, Houston, TX 77088. Representative: John Doe, K Street, NW., Washington, D.C. 20005. Sponsor: Sunshine Recyclers, Main Street, Houston, TX 77088. Commodities: Scrap metal and waste paper.*

By the Commission.

H. G. HOMME, Jr.,
Secretary.

[FR Doc. 79-1890 Filed 1-16-79; 8:45 am]

*Applicants may seek broader commodity authority.