The proposed amendment would revise Technical Specification Table 3.3.3–3 to change the maximum allowed response time for the high pressure coolant injection system. The subject response time is the time allowed for the system to achieve rated flow following receipt of an initiation signal. The proposed change would increase the currently allowed maximum response time of 27 seconds to a new value of 35 seconds.

Prior to issuance of the proposed license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations.

By November 21, 1988, the licensee may file a request for a hearing with respect to issuance of the amendment to the subject facility operating license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written request for hearing and a petition for leave to intervene. Requests for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition and the Secretary or the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspect(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, but such an amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which much include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. Contentions shall be limited to matters within the scope of the amendment under consideration. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the oppportunity to participate fully in the conduct of the hearing, including the oppportunity to present evidence and cross-examine witnesses.

A request for a hearing or a petition for leave to intervene shall be filed with the Secretary of the Commission, United States Nuclear Regulatory Commission, Washington, DC 20555, Att: Docketing and Service Branch, or may be delivered to the Commission's Public Document Room, 2120 L Street NW., Washington, DC, by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner or representative for the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at 1–(800) 325–6000 (in Missouri) 1–(800) 342–6700. The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Walter R. Butler: Petitioner's name and telephone number; date petition was mailed; plant name; and publication date and page number of this **Federal Register** notice. A copy of the petition should also be sent to the Office of General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to Conner and Wetterhahn, 1747 Pennsylvania Avenue NW., Washington, DC 20006, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission, the presiding officer or the presiding Atomic Safety and Licensing Board, that the petition and/or request should be granted based upon a balancing of factors specified in 10 CFR 2.714(a)(1)(i)–(v) and 2.714(d).

If a request for a hearing is received, the Commission's staff may issue the amendment after it completes its technical review prior to the completion of any required hearing if it publishes a further notice for public comment of its proposed finding of no significant hazards consideration in accordance with 10 CFR 50.91 and 50.92.

For further details with respect to this action, see the application for amendment dated August 13, 1987 as supplemented August 12, 1988, which is available for public inspection at the Commission's Public Document Room, 2120 L Street NW., Washington, DC 20555, and at the Pennsville Public Library, 190 S. Broadway, Pennsville, New Jersey 08070.

Dated at Rockville, Maryland, this 13th day of October 1988.

For the Nuclear Regulatory Commission.

Walter R. Butler,

Director, Project Directorate I–2, Division of Reactor Projects I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 88–24403 Filed 10–20–88; 8:45 am]

BILLING CODE 7590–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–26192; File No. SR–NASD–84–10]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Notice of Amendment of Proposed Rule Change Relating to Subsection 5(b)(5) of Appendix F to Article III, Section 34 of the NASD's Rules of Fair Practice To Permit Indeterminate Compensation

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] notice is hereby given that on August 10, 1987, the National Association of Securities Dealers, Inc. ("NASD"), filed with the Securities and Exchange Commission ("Commission") the proposed rule change [2] as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[1] 15 U.S.C. 78s(b)(1).

[2] Notice of the original filing was given by Securities Exchange Act Release No. 21468, November 11, 1984, and by publication in the **Federal Register**, 49 FR 44966, November 13, 1984.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The following is the amended text of the proposed rule change to subsection 5(b)(5) of Appendix F to Article III, section 34 of the NASD's Rules of Fair Practice ("Appendix F"). Additions are underlined; deletions are in brackets. Attached as Exhibit 2 is a copy of the proposed rule change originally filed, marked to show the amendments filed herein to the proposed rule change.

Section 5—Organization and Offering Expenses

(b) In determining the fairness and reasonableness of organization and offering expenses for purposes of subsection (a) hereof,[3] the arrangements shall be presumed to be unfair and unreasonable if:

(5) The program provides for compensation of an indeterminate nature to be paid to members or persons associated with members for sales or program units, or for services of any kind rendered in connection with or related to the distribution thereof, including but not necessarily limited to, the following: A percentage of the management fee, a profit sharing arrangement, brokerage commissions, an overriding royalty interest, a net profits interest, a percentage of revenues, a reversionary interest, a working interest, a security or right to acquire a security having an indeterminate value, or other similar incentive items; *provided however, that an arrangement which provides for continuing compensation to a member or person associated with a member in connection with a public offering shall not be presumed to be unfair and unreasonable if all of the following conditions are satisfied:*

(i) The continuing compensation is to be received only after each investor in the program has received cash distributions from the program aggregating an amount equal to his cash investment plus a six percent cumulative annual return on his adjusted investment;

(ii) The continuing compensation is to be calculated as a percentage of program cash distributions;

(iii) The amount of continuing compensation does not exceed three percent for each one percentage point that the total of all compensation pursuant to subsection (b)(1) of this section [4] received at the time of the offering and at the time any installment payment is made fall below nine percent; provided, however, that in no event shall the amount of continuing compensation exceed 12 percent of program cash distributions; and

(iv) If any of the continuing compensation is to be derived from the limited partners' interest in the program cash distributions, the percentage of the continuing compensation shall be no greater than the percentage of program cash distributions to which limited partners are entitled at the time of the payment.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NASD included statements concerning the purpose of, and statutory basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NASD has prepared summaries, set forth in Sections (A), (B), and (C) below of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

On October 15, 1984, the NASD filed with the Commission SR–NASD–84–10 pursuant to Rule 19b–4 (the "original rule change"). This filing proposed to amend subsection 5(b)(5) of Appendix F to permit a member to receive a back-end indeterminate interest in program distributions as compensation for distribution of a direct participation program ("DPP") if four conditions are satisfied.[5] Subsection 5(b)(5) of Appendix F currently prohibits any NASD member or person associated with a member from receiving indeterminate compensation in connection with the public offering of a DPP.[6]

Appendix F only applies to public offerings of DPPs. Accordingly, private program offerings reportedly frequently are sold with an underwriting compensation arrangement that includes a percentage interest in program distributions. The original rule change was developed because NASD members believed that the prohibition with respect to public programs was of questionable value in protecting investors in those instances where the member was willing to forego front-end compensation in a program in exchange for a possible participation in future cash distributions and dissolution proceeds of the DPP.

Original Rule Change

The original rule change to Appendix F permits indeterminate compensation to be paid to a member or person associated with a member in connection with a pubic offering of a DPP if four conditions are satisfied. The first condition, Item (i) of subsection 5(b)(5), is that the member's continuing compensation may be received only after all investors have received cash distributions from the program equal to 100 percent of their cash investment [7] plus a six percent cumulative annual return on their adjusted investment.[8] The six percent cumulative annual return, chosen as a prerequisite to the receipt by broker/dealers of continuing compensation, was adopted in response to concerns raised by the North American Securities Administrators Association ("NASAA"). NASAA argued that some recognition of present value should be made in computing investor's return of capital. The particular amount of six percent was chosen to coincide with a similar provision in NASAA guidelines.

Item (ii) of the proposed amendment requires that the member's continuing compensation be calculated as a percentage of cash distributions from

[3] Subsection 5(a) provides: No member or person associated with a member shall underwrite or participate in a public offering of a direct participation program if the organization and offering expenses are not fair and reasonable, taking into consideration all relevant factors.

[4] Subsection 5(b)(1) provides that an arrangement is unfair and unreasonable if the total amount of compensation in connection with the distribution of a public offering exceeds current effective compensation guidelines (10% of proceeds received, plus a maximum of .5% for reimbursement of bona fide due diligence expenses, published in NASD Notice to Members 82–51 (October 19, 1982)).

[5] Section 5 of Appendix F requires that compensation received by members and associated persons in connection with the public offering of DPPs be fair and reasonable and specifies certain arrangements which are presumed to be unreasonable. *See* NASD Rules of Fair Practice, Article III, Appendix F, § 5.

[6] "Indeterminate compensation" refers to any item of compensation which is on-going in nature and for which a value cannot be determined at the time of the offering, including a percentage of the general partner's management fee, a profit sharing arrangement, an overriding royalty interest, a net profits interest, a percentage of revenues and similar on-going compensation with an indeterminate dollar value.

[7] "Cash investment" includes the amount paid by the investor for the security in cash, payments of assessments, and reinvestments of limited partners' income in the same program. Cash investment does not include any amounts represented by an outstanding promissory note on unpaid installations.

[8] "Adjusted investment" is the investor's cash investment less cash distributions from the program.

the operation or dissolution of the program. Thus, a member may receive continuing compensation from operations, from the sale of program assets, and from dissolution of the program.

Item (iii) restricts the amount of back-end compensation that a member may receive to three percent of the partnerships's annual distributions from operations or liquidation for each one percent that front-end retail and wholesale cash commissions fall below nine percent. Members normally are permitted maximum front-end compensation of ten percent pursuant to Appendix F.[9] Where a program is providing continuing compensation to a member, the amendment requires that the reduction in front-end compensation be calculated from a nine percent base. This decision was based on the NASD's experience that a majority of DPPs provide for underwriting compensation of at least nine to ten percent. Therefore, the NASD believed that by establishing a nine percent base from which the member must reduce front-end compensation in order to receive continuing compensation in the program, the NASD would be able to assure an actual reduction in front-end compensation.

The trade-off ration of three-to-one was based on an analysis which indicates that broker/dealers will realize a meaningful benefit by deferring compensation only if the program provides an attractive return to investors. It was determined that such a ratio was necessary to assure that members have the necessary incentive to give up front-end compensation and that a three-to-one ratio would focus the sales efforts of broker/dealers on quality programs to the benefit of investors.

Item (iii) also restricts the total amount of continuing compensation that a member may receive to twelve percent of the cash distributions from the operation or dissolution of the program. The limit on continuing compensation was intended to assure some consistency in the structure of public programs in order to prevent widely differing compensation levels from outweighing relevant suitabilty standards. It was also intended to prevent undue discrimination against smaller member firms that might not be able to absorb all the cost of the distribution of a program in exchange for deferred compensation.

Item (iv) provides that the percentage of broker/dealers' continuing compensation from the limited partners' interest in program distributions cannot exceed the percentage that limited partners are entitled to receive. The purpose of this provision is to ensure that if any of the distributions from operation or dissolution of a program payable to limited partners is to be used to pay the member's continuing compensation, the percentage of the compensation paid from the limited partners' distributions cannot exceed the percentage of program distributions payable to the limited partners.

Interim NASD Action

The Commission published the original rule change for public comment on November 5, 1984.[10] On November 15, 1984, the Commission submitted a letter to the NASD requesting further explanation of certain aspects of the original rule change. At the same time, Commission staff requested the NASD to meet with representatives of NASAA to resolve concerns expressed by the state administrators with regard to the original rule change. The staff of the NASD held several discussions with NASAA representatives and submitted letters in response to NASAA's request with respect to the original rule change on March 27, 1985, and January 27, 1986. The NASD submitted a response to the Commission's letter on July 27, 1987, requesting that the Commission go forward with its consideration of the proposed rule change and attached its prior correspondence with NASAA.[11]

Proposed Amendments

In its November 15, 1984, letter, the Commission raised a number of issues. With respect to three of the issues raised by the Commission, the NASD is proposing to amend the original rule change. The NASD is also proposing to amend the original rule change with respect to a fourth issue.

Cash commissions: Item (iii) provides that continuing compensation may not "exceed three percent for each one percentage point that the retail and wholesale cash commissions received at the time of the offering fall below nine percent." The terms "retail" and "wholesale" commissions are not defined in Appendix F, as expressed by the Commission in its letter of November 15, 1984, at Question 4(a). Retail and wholesale commissions represent only a portion of all underwriting compensation that could be paid in connection with the distribution of a DPP and do not include due diligence expense reimbursements, expense reimbursements to the underwriter, sales incentive compensation and other items of compensation that are enumerated in section 5(c) of Appendix F.[12] Thus, underwriting compensation may be structured for members to receive eight percent retail and wholesale commissions, which would permit members to receive back-end compensation of three percent of program cash distributions, as well as to receive front-end expense reimbursement of two percent of offering proceeds. This results in total front-end compensation of ten percent and back-end compensation of three percent.

The NASD's intention in proposing this provision was to permit continuing compensation only when the aggregate of *all* categories of front-end compensation was below nine percent. Therefore, the NASD proposes to amend Item (iii) to provide that the amount of continuing compensation cannot "exceed three percent for each one percentage point that the [retail and wholesale] *total of all compensation pursuant to subsection (b)(1) of this section* received at the time of the offering * * * fall below nine percent."[13]

Installment payments: At Question 4(c) of the Commission's letter of November 15, 1984, the Commission requested details as to how continuing compensation would be treated for programs providing for installment payments for the purchase of units. In particular, the Commission noted that Item (iii) prohibits continuing compensation from exceeding three percent for each one percentage point that front-end commissions "received at the time of the offering" fall below nine percent. If a program is sold on an installment basis, which is permitted under Rule 3a12–9 of the Act,[14] the commission portion of underwriter's compensation would be structured to only be payable proportionally with respect to each installment paid. Thus,

[9] *See supra* note 4.

[10] *See* Securities Exchange Act Release No. 21468 (December 5, 1984, 49 FR 44966 (November 13, 1984).

[11] The discussions with NASAA have not led to a resolution of all of NASAA's concerns. A copy of the Commission's November 15, 1984, letter and the NASD's response of July 27, 1987, with attached NASD correspondence to NASAA, are available in File No. SR–NASD–84–10.

[12] Items of compensation include, but are not limited to: sales commissions, wholesaling fees, due diligence expenses, other underwriter's expenses, underwriter's counsel's fees, securities or rights to acquire securities, rights of first refusal, consulting fees, finder's fees and investor relations fees. *See* Appendix F. § 5(c).

[13] Deletions are in brackets; additions are underlined.

[14] 17 CFR 240.3a12–9(a).

because Rule 3a12–9 requires not less than 50 percent of the purchase price of a program interest to be paid initially,[15] 50 percent of the commission on the full purchase price of the program interests sold would be paid at the time of the offering. The remainder of the underwriter's commission would be paid if and when each installment is paid by the participating member's customers. It is anticipated that any non-commission compensation in the form of expense reimbursements and due diligence fees would be paid at the time of the offering and would not be prorated over the installments.

Therefore, the NASD proposes that Item (iii) be amended to include language that would relate the amount of continuing compensation to underwriting compensation received by participating members "at the time of the offering *and at the time any installment payment is made* * * *"

Cash distributions: At Questions 4(d) and 5(b) of the Commission's letter of November 15, 1984, the Commission requested clarification of certain language in Items (i), (iii) and (iv) of the amendment. Item (i) references "cash distributions from the program," in comparison to Items (iii) and (iv) which refer only to "distributions" from the program. The word "cash" was not intended to be omitted from these provisions. Therefore, the NASD proposes that Item (iii) be amended to read "exceeds 12 percent of program *cash* distributions" and that Item (iv) be amended to read "program *cash* distributions," in order to provide consistency in the text.[16]

Program cash distributions: In addition, Items (ii), (iii) and (iv) reference investors' cash distributions "from the operation or dissolution of the program." The NASD is concerned that this language may be unintentionally restrictive, as cash distributions may also be made from program investments and financing. Therefore, the NASD proposes that the language of the three provisions be amended to reference "program cash distributions" with no reference to the particular program activity generating these distributions.

The NASD believes that the amended proposed rule change is consistent with the provisions of section 15A(b)(2) of the Act, which require the NASD to adopt rules that promote just and equitable principles of trade, remove impediments to and perfect the mechanisms of a free and open market and generally protect investors, on the basis that the proposed rule change establishes objective criteria for limiting underwriting compensation, while helping to focus the selling efforts of members on the qualitative nature of the public programs.

B. Self-Regulatory Organization's Statement on Burden on Competition

The NASD believes that the amended proposed rule change does not result in any impact on competition that is not necessary in furtherance of the purposes of the Act, as amended.

C. Self-Regulatory Organization's Statement on the Proposed Rule Change Received from Members, Participants, or Others

No comments were requested or received with respect to the proposed amendments to the original rule change. The original rule change was proposed for comment in NASD Notice to Members 82–14 (March 9, 1982).[17]

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

A. By order approve the proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule changes that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552 will be available for inspection and copying in the Commission's Public Reference Room. Copies of the filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to File No. SR–NASD–84–10 and should be submitted by November 14, 1988.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30–3(a)(12).

Jonathan G. Katz,

Secretary.

Dated: October 18, 1988.

Shirley E. Hollis,

Assistant Secretary.

[FR Doc. 88–24432 Filed 10–20–88; 8:45 am]

BILLING CODE 8010–01–M

[15] *See* Rule 3a12–9(a)(3).

[16] The NASD also proposes that Item (ii) be amended to read "*program* cash distributions," in order to provide consistency in the text.

[17] *See* SR–NASD–84–10, at 11–12.

[Release No. 34–26190; File No. SR–NASD–88–19]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Extension of Public Comment Period of Proposed Rule Change To Create an OTC Bulletin Board Display

On June 9, 1988, the National Association of Securities Dealers, Inc. ("NASD") submitted a proposed change pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1) and Rule 19b–4 thereunder, to establish a quotation service, the OTC Bulletin Board Display Service, for OTC securities that are not included in the NASDAQ System nor listed on a national securities exchange. Notice of the proposed rule change was provided by the issuance of a Commission release (Securities Exchange Act Release No. 25949, July 28, 1988) and by publication in the **Federal Register** (53 FR 29096, August 2, 1988).

The NASD originally consented to an extension of the period for public comment on the proposed rule change for forty-five days, until October 7, 1988,[1] and, on October 14, 1988, consented to an additional fourteen day extension on the comment period, until October 28, 1988.[2]

The Commission hereby extends the period for public comment on the proposed rule change for a period of fourteen days, until October 28, 1988.

[1] *See* letter to Jonathan G. Katz, Secretary, Securities and Exchange Commission, from Frank J. Wilson, Executive Vice President and General Counsel, NASD, dated August 22, 1988.

[2] *See* letter to Jonathan G. Katz, Secretary, Securities and Exchange Commission, from Robert E. Aber, Vice President and Deputy General Counsel, Corporate Subsidiaries, dated October 14, 1988.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Dated: October 17, 1988.

Shirley E. Hollis,

Assistant Secretary.

[FR Doc. 88-24382 Filed 10-20-88; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-26189; File No. SR-PSE-88-22]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by Pacific Stock Exchange, Inc. Relating to a Charge for Drop Phones on the Options Floor

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on September 28, 1988, the Pacific Stock Exchange Inc. ("PSE" or "Exchange") filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange, pursuant to Rule 19b-4 of the Act, submits this rule filing relating to an options member's use of another options member's booth space for phone or drop lines. The Exchange proposes to charge a member using the phone or drop line installed in another member's booth space $100 per month for each phone or drop line.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections 2 (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

Within the PSE's policy for allocating booth space on the options floor among member firms, clearing firms, and retail stock execution firms, provision is made for a member to install either a single phone or a drop line in another member firm's booth. The PSE prohibits subleasing or exchanging of booths among members. The drop phones or lines are being used by members either in lieu of renting booth space, or in addition to phones in their own booth space. In either instance, the member utilizing the phone or line pays no charge to the PSE, even though it is utilizing a service provided by the PSE. The purpose of this rule filing is to establish a charge of $100 per month for each single phone or drop line that a member uses in another member's booth space.

The charge was proposed by the Options Committee. The Options Committee was established to examine revenues and costs on the options floor. The Options Committee is composed of three members of the Exchange's Board of Governors who are also options members, the President, and the Chief Financial Officer of the PSE.

The proposed rule filing is consistent with section 6(b)(4) of the Act in that it provides an equitable allocation of reasonable dues, fees, and other charges among the members using the facilities of the PSE. In addition, the proposed rule change is consistent with section 6(b)(5) of the Act in that it will enable the PSE to enhance its ability to facilitate transactions.

(B) Self-Regulatory Organization's Statement on Burden on Competition

PSE does not believe that the proposed rule changes impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The charge was proposed by the Options Committee which is composed of three options members who are also Governors of the PSE, the President, and the Chief Financial Officer of the PSE.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective on filing pursuant to section 19(b)(3)(A) of the Act and Rule 19b-4(e) thereunder because it establishes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC, 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission and all written communications relating to the proposed rule change between the Commission and any persons, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC, 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PSE. All submissions should refer to File No. SR-PSE-88-22 and should be submitted by November 14, 1988.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Dated: October 14, 1988.

Shirley E. Hollis,

Assistant Secretary.

[FR Doc. 88-24381 Filed 10-20-88; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ended October 14, 1988

The following applications for certificates of public convenience and necessity and foreign air carrier permits were filed under Subpart Q of the Department of Transportation's Procedural Regulations (See 14 CFR 302.1701 *et seq.*). The due date for answers, conforming application, or motion to modify scope are set forth below for each application. Following the answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.