

evaluation. The audit standards to be applied to ATP awards are the "Government Auditing Standards" (GAS) issued by the Comptroller General of the United States (also known as yellow book standards) and the ATP program-specified audit guidelines. The ATP program-specific audit guidelines include guidance on the number of audits required under an award. In the interest of efficiency, the recipients are encouraged to retain their own independent CPA firm to perform these audits. The Department of Commerce's Office of Inspector General (OIG) reserves the right to conduct audits as deemed necessary and appropriate.

13. Section 295.14 is removed.

14. Section 295.22 is revised to read as follows:

§ 295.22 Limitations on assistance.

(a) An award will be made under this subpart only if the award will facilitate the formation of a joint venture or the initiation of a new research and development project by an existing joint venture.

(b) The total value of any in-kind contributions used to satisfy the cost sharing requirement may not exceed 30 percent of the non-federal share of the total project costs.

15. Section 295.25 is added to subpart B as follows:

§ 295.25 Special rule for the valuation of transfers between separately-owned joint venture members.

(a) *Applicability.* This section applies to transfers of goods, including computer software, and services provided by the transferor related to the maintenance of those goods, when those goods or services are transferred from one joint venture member to other separately-owned joint venture members.

(b) *Rule.* The greater amount of the actual cost of the transferred goods and services as determined in accordance with applicable Federal cost principles, or 75 percent of the best customer price of the transferred goods and services, shall be deemed to be allowable costs; provided, however, that in no event shall the aggregate of these allowable costs exceed 30 percent of the non-Federal share of the total cost of the joint research and development program.

(c) *Definition.* The term "best customer price" shall mean the GSA schedule price, or if such price is unavailable, the lowest price at which a sale was made during the last twelve months prior to the transfer of the particular good or service.

16. Sections 295.31 and 295.32 are revised to read as follows:

§ 295.31 Qualification of proposers.

Awards under this subpart will be available to all businesses, subject to the limitations set out in §§ 295.3 and 295.32.

§ 295.32 Limitations on assistance.

(a) The Program will not directly provide funding under this subpart to any governmental entity, academic institution or independent research organization.

(b) For proposals submitted to ATP after December 31, 1997, awards to large businesses made under this subpart shall not exceed 40 percent of the total project costs of those awards in any year of the award.

(c) Awards under this subpart may not exceed \$2,000,000, or be for more than three years, unless the Secretary provides a written explanation to the authorizing committees of both Houses of Congress and then, only after thirty days during which both Houses of Congress are in session. No funding for indirect costs, profits, or management fees shall be available for awards made under this subpart.

(d) The total value of any in-kind contributions used to satisfy a cost sharing requirement may not exceed 30 percent of the non-federal share of the total project costs.

17. In part 295 remove the word "applicants" or "applicant" and add in its place the word "proposers" or "proposer" in the following places: § 295.7(a), (b) and (c); § 295.21 section heading; subpart C heading; and § 295.31 section heading.

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SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 274

[Release Nos. 33-7478; IC-22920; File No. S7-19-97]

RIN 3235-AG73

Update of Registration Form to Reflect Fee Rate Change for Registration of Certain Investment Company Securities

AGENCY: Securities and Exchange Commission.

ACTION: Amendments to form.

SUMMARY: The Securities and Exchange Commission ("Commission") is updating the fee rate information in the

instructions to the form under the Investment Company Act of 1940 that prescribes the method by which certain investment companies calculate and pay registration fees on securities they issue (the form was last published at 62 FR 47941 (Sept. 12, 1997)). On November 28, 1997, legislation was enacted that sets a new fee rate of \$295 per \$1,000,000 offered or sold (prorated for amounts less than \$1,000,000). Registration fees under this new rate are calculated by multiplying the aggregate offering or sales amount by .000295. This amendment updates the reference to the current fee rate in the instructions to the form.

EFFECTIVE DATE: December 9, 1997.

FOR FURTHER INFORMATION CONTACT: Robin S. Gross, Staff Attorney, Office of Regulatory Policy at (202) 942-0690, or Carolyn A. Miller, Senior Financial Analyst, Office of Financial Analysis at (202) 942-0513, Division of Investment Management, Securities and Exchange Commission, 450 5th Street, N.W., Mail Stop 10-2, Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION: The Commission today is amending Instruction C.9 to Form 24F-2 [17 CFR 274.24] under the Investment Company Act of 1940 [15 U.S.C. 80a] (the "Investment Company Act").

Form 24F-2 is the Form on which certain investment companies file an annual notice of securities sold pursuant to rule 24f-2 under the Investment Company Act [17 CFR 270.24f-2]. The Instruction to Item 5(vii) explains that the multiplier for calculation of the registration fee is determined by the Commission in accordance with section 6(b) of the Securities Act of 1933 [15 U.S.C. 77f(b)]. The Instruction informs filers of the multiplier that was in effect as of the date of the most recent printing of the Form, but indicates that this rate is subject to change from time to time, without notice, by act of Congress through appropriations for the Commission or other laws.

On November 28, 1997, legislation was enacted that sets the fee rate at \$295 per \$1,000,000 offered or sold (prorated for amounts less than \$1,000,000). Fees will be calculated by multiplying the aggregate offering or sales amount by .000295.

The Commission is amending the Instruction to Item 5(vii) of Form 24F-2 to reflect the change in the fee rate.

Statutory Authority

The Commission is amending Form 24F-2 pursuant to the authority set forth in sections 24 and 38(a) of the

Investment Company Act [15 U.S.C. 80a-24, -37(a)].

Text of Form Amendments

For the reasons set out in the preamble, Form 24F-2, referenced in § 274.24, Title 17, Chapter II of the Code of Federal Regulations, is amended as follows:

PART 274—FORMS PRESCRIBED UNDER THE INVESTMENT COMPANY ACT OF 1940

1. The authority citation for Part 274 continues to read as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 78c(b), 78l, 78m, 78n, 78o(d), 80a-8, 80a-24, and 80a-29, unless otherwise noted.

2. Form 24F-2 (referenced in § 274.24) is amended by revising the second and third sentences of Instruction C.9 to Item 5(vii) to read as follows:

Note: Form 24F-2 does not, and the amendments will not, appear in the *Code of Federal Regulations*.

Form 24F-2

Annual Notice of Securities Sold Pursuant to Rule 24f-2

* * * * *

Instructions

* * * * *

C. Computation of Registration Fee

* * * * *

9. Item 5(vii)—* * * As of November 28, 1997, the fee rate was \$295 per \$1,000,000 offered or sold (prorated for amounts less than \$1,000,000). The registration fee is calculated by multiplying the aggregate offering or sales amount by .000295. * * *

* * * * *

For the Commission, by the Office of the Secretary, pursuant to delegated authority.

Dated: December 2, 1997.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 97-31961 Filed 12-8-97; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Part 35

[Docket Nos. RM95-8-003 and RM94-7-004; Order No. 888-B]

Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities

Issued November 25, 1997.

AGENCY: Federal Energy Regulatory Commission, Energy.

ACTION: Final rule; order on rehearing.

SUMMARY: The Federal Energy Regulatory Commission affirms, with certain clarifications, the fundamental calls made in its order on rehearing of the final rule in this proceeding. The final rule directed public utilities to open their transmission lines to competitors and to offer them the same charges and conditions they apply to themselves. The rule also gave utilities an opportunity to seek recovery of certain stranded costs, i.e., costs that were prudently incurred to serve customers that use open access transmission under the final rule to shift to another power supplier. The Commission in this order clarifies its position on recovery of stranded costs in the case of municipalizations and municipal annexations, where customers previously served by a public utility become customers of a municipal utility instead.

EFFECTIVE DATE: February 9, 1998.

FOR FURTHER INFORMATION CONTACT:

David D. Withnell (Legal Information—Docket No. RM95-8-003), Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, (202) 208-2063.

Deborah B. Leahy (Legal Information—Docket No. RM94-7-004), Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, (202) 208-2039.

Daniel T. Hedberg (Technical Information—Docket No. RM95-8-003), Office of Electric Power Regulation, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, (202) 208-0243.

Joseph M. Power (Technical Information—Docket No. RM94-7-004), Office of Electric Power Regulation, Federal Energy Regulatory

Commission, 888 First Street, N.E., Washington, D.C. 20426, (202) 208-0243.

SUPPLEMENTARY INFORMATION: In addition to publishing the full text of this document in the **Federal Register**, the Commission also provides all interested persons an opportunity to inspect or copy the contents of this document during normal business hours in Room 2A, 888 First Street, N.E., Washington, D.C. 20426. The complete text on diskette in WordPerfect format may be purchased from the Commission's copy contractor, La Dorn Systems Corporation. La Dorn Systems Corporation is located in the Public Reference Room at 888 First Street, N.E., Washington, D.C. 20426.

The Commission Issuance Posting System (CIPS), an electronic bulletin board service, also provides access to the texts of formal documents issued by the Commission. CIPS is available at no charge to the user. CIPS can be accessed over the Internet by pointing your browser to the URL address: <http://www.ferc.fed.us>. Select the link to CIPS. The full text of this document can be viewed, and saved, in ASCII format and an entire day's documents can be downloaded in WordPerfect 6.1 format by searching the miscellaneous file for the last seven days. CIPS also may be accessed using a personal computer with a modem by dialing 202-208-1397, if dialing locally, or 1-800-856-3920, if dialing long distance. To access CIPS, set your communications software to 19200, 14400, 12000, 9600, 7200, 4800, 2400, or 1200 bps, full duplex, no parity, 8 data bits and 1 stop bit. The full text of this order will be available on CIPS in ASCII and WordPerfect 6.1 format. CIPS user assistance is available at 202-208-2474.

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