

continued to have NAF FWS employment. Cannon Air Force Base, located in Curry County, NM, has more than the minimum required number of NAF FWS employees and has the capability to host annual local wage surveys. Also, Curry County has more than the required minimum number of private enterprise employees in establishments within survey specifications. The Federal Prevailing Rate Advisory Committee, the national labor-management committee responsible for advising OPM on matters concerning the pay of FWS employees, recommended by consensus that we abolish the Lubbock, TX, NAF wage area and establish a new Curry, NM, NAF wage area. The new wage area consists of one survey county, Curry County, NM, and two area of application counties, Lubbock and Potter, TX.

Full-scale wage surveys were ordered in the Curry, NM, NAF wage area in June of odd-numbered fiscal years. The first full-scale wage survey began in June 1997. The interim rule provided a 30-day public comment period, during which OPM did not receive any comments. The interim rule is being adopted as final with no changes.

Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they will affect only Federal agencies and employees.

List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

Accordingly, under the authority of 5 U.S.C. 5343, the interim rule amending 5 CFR part 532 published on May 29, 1997 (62 FR 28978), is adopted as final with no changes.

Office of Personnel Management.

Janice R. Lachance,

Director.

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DEPARTMENT OF AGRICULTURE

Rural Utilities Service

7 CFR Part 1710

RIN 0572-AB46

General and Pre-Loan Policies and Procedures Common to Insured and Guaranteed Electric Loans

AGENCY: Rural Utilities Service, USDA.

ACTION: Direct final rule.

SUMMARY: The Rural Utilities Service (RUS) is amending its regulations to: revise the method of determining loan fund eligibility for "ordinary replacements" and authorize the use of guaranteed financing for "minor projects".

DATES: This rule will become effective August 6, 1999 unless we receive written adverse comments or written notice of intent to submit adverse comments on or before July 22, 1999. If we receive such comments or notice, we will publish a timely withdrawal of the Direct Final Rule in the **Federal Register** stating that the rule will not become effective. We will address the comments received and publish a final rule. A second public comment period will not be held. Parties interested in commenting on this action should do so at this time.

ADDRESSES: Submit adverse comments or notice of intent to submit adverse comments to F. Lamont Heppe, Jr., Director, Program Development and Regulatory Analysis, Rural Utilities Service, U.S. Department of Agriculture, Stop 1522, 1400 Independence Avenue, SW, Washington, DC 20250-1522. Telephone: (202) 720-9550. RUS requires a signed original and three copies of all comments (7 CFR 1700.4). Comments will be available for public inspection during regular business hours (7 CFR 1.27(b)).

FOR FURTHER INFORMATION CONTACT: Alex M. Cockey, Jr., Deputy Assistant Administrator, Electric Program, Rural Utilities Service, U.S. Department of Agriculture, Stop 1560, 1400 Independence Avenue, SW, Washington, DC 20250-1560. Telephone: (202) 720-9547. FAX (202) 690-0717. E-mail: acockey@rus.usda.gov.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

This rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget (OMB).

Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988, Civil Justice Reform. RUS has determined that this rule meets the applicable standards provided in section 3 of the Executive Order. In addition, all state and local laws and regulations that are in conflict with this rule will be preempted. No retroactive effect will be given to this rule and in

accordance with § 212(e) of the Department of Agriculture Reorganization Act of 1994 (7 USC § 6912(e)) administrative appeal procedures, if any, must be exhausted before an action against the Department or its agencies may be initiated.

Regulatory Flexibility Act Certification

The Administrator of RUS has determined that a rule relating to RUS electric loan program is not a rule as defined in the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) and, therefore, the Regulatory Flexibility Act does not apply to this rule. RUS borrowers, as a result of obtaining federal financing, receive economic benefits that exceed any direct economic costs associated with complying with RUS regulations and requirements.

Information Collection and Recordkeeping Requirements

The Office of Management and Budget (OMB) has approved the reporting and recordkeeping requirements contained in 7 CFR Part 1710 under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) and assigned control number 0572-0032. This rule contains no additional information collection or recordkeeping requirements.

Catalog of Federal Domestic Assistance

The program described by this rule is listed in the Catalog of Federal Domestic Assistance Programs under No. 10.850, Rural Electrification Loans and Loan Guarantees. This catalog is available on a subscription basis from the United States Government Printing Office, Washington, DC 20402-9325, telephone number (202) 512-1800.

Executive Order 12372

This rule is excluded from the scope of Executive Order 12372, Intergovernmental Consultation, which may require consultation with State and local officials. A Notice of Final Rule entitled "Department Programs and Activities Excluded from Executive Order 12372", (50 FR 47034), exempted RUS loans and loan guarantees from coverage under this order.

Unfunded Mandates

This rule contains no Federal Mandates (under the regulatory provision of Title II of the Unfunded Mandates Reform Act of 1995) for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the Unfunded Mandates Reform Act of 1995.

National Environmental Policy Act Certification

The Administrator of RUS has determined that this rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment.

Background

RUS is amending its regulations to change the manner in which it categorizes electric plant replacements for the purpose of clarifying financing eligibility for replacements. RUS financing is presently based upon the accounting and engineering classifications of new construction, system improvements, and ordinary replacements. These procedures are established in 7 CFR Part 1710, General and Pre-Loan Policies and Procedures Common to Insured and Guaranteed Electric Loans, including § 1710.106, Uses of Loan Funds, establishing the extent of funding for new construction, system improvements, and ordinary replacements, as well as RUS Bulletin 1767B-2, Work Order Procedure (Electric).

At present, RUS financing is provided as follows: (a) for new construction based on cost of construction (amount capitalized), (b) for system improvements based on cost of construction plus removal cost less applicable salvage, and (c) for ordinary replacements based on cost of construction less original cost of units removed.

In each case above, non-refundable contribution amounts by the ultimate customer are deducted from the amount financed.

Section 1710.2, Definitions, provides the following definitions: (a) system improvement means the change or addition to electric plant facilities to improve the quality of electric service or to increase the quantity of electric power available to RE Act beneficiaries; (b) ordinary replacement means replacing one or more units of plant, called "retirement units," with similar units when made necessary by normal wear and tear, damage beyond repair, or obsolescence of facilities. With these definitions, RUS has experienced problems as to which projects should appropriately be classified as either system improvements or ordinary replacements. As a result, there has been confusion and inconsistency in the determination of loan fund eligibility. While the determination does not

significantly affect the amount of loan funds provided by RUS, the determination nevertheless is an unnecessary burden for RUS borrowers, their engineering consultants, and RUS staff, who often apply the definitions differently.

This rule change combines the classifications of system improvements and ordinary replacements into a single category. Financing will be based on the process presently used to finance system improvements. This process will provide funding to cover the cost of construction, plus the cost of removal, less any salvage value. No change is being made in the manner in which new construction or system improvements are classified or financed by RUS. It merely changes the manner in which ordinary replacements are categorized and financed by RUS.

RUS has previously authorized certain types of ordinary replacements, including underground cable replacements, to be financed as system improvements. Furthermore, § 1710.106 (3) presently permits RUS to finance the total cost of ordinary replacements, if specifically authorized by the Administrator.

Potentially, the requests for RUS financing assistance may be slightly increased by combining these two methods of accounting for system improvements and ordinary replacements into a single category. However, the overall benefits to the borrowers and RUS outweigh the possible increase in requests for loan funds. This rule change is being made in order to: (a) simplify classifications of construction and eliminate the judgments necessary as to whether a project is considered an improvement or replacement; and (b) avoid creating any new method of financing while still generating necessary information from which RUS can determine appropriate funding eligibility.

It should be further noted that factors other than the amount of construction eligible for financing under the present concepts of system improvements and ordinary replacements impact the amount of funding actually requested from RUS. Generally, RUS borrowers do not request financing assistance for all capital improvements because of desired equity goals. Typically, borrowers utilize internally generated funds from as little as 20 percent to more than 50 percent of total construction costs. The overall effect of this is that borrowers presently borrow funds in amounts which are significantly less than that for which they would be eligible under either present loan concepts (with system

improvements and ordinary replacements) or those concepts provided under this rule change.

Benefits of this rule change include: (a) simplified RUS financing and engineering analysis which avoids conflicting interpretations of what is a system improvement and what is an ordinary replacement; (b) expedited close-out and audit processes; (c) little or no change in the application for available loan funds; and (d) elimination of additional analysis in electric plant accounting to determine amount capitalized.

With this rule change, Inventories of Work Orders, RUS Form 219, covering completed construction projects that are closed out after the effective date of this rule, will be subject to these new procedures for "ordinary replacements." During the period while revised RUS Form 219's are being prepared and distributed, RUS borrowers may utilize existing supplies of forms bearing an issue date of 10/88 and include all plant rebuilds and replacements as system improvements. The columns on RUS Form 219 that are currently dedicated to ordinary replacements would, therefore, not be used under this rule change.

The second aspect of this rule change concerns "minor projects" and guaranteed loan funds. Minor projects are defined in 7 CFR Part 1721, Post-Loan Policies and Procedures for Insured Electric Loans, Subpart A, Advance of Funds, § 1721.1(a) as "a project costing \$25,000 or less." Section 1721.1(a), further states that: "With the exception of minor construction, insured loan funds will be advanced only for projects in an RUS approved Borrower's construction work plan or approved amendment and in an approved loan, as amended." Also related to this matter is 7 CFR Part 1710, Subpart F, Construction Work Plans and Related Studies. Section 1710.250(e) states that: "Applications for a loan or loan guarantee from RUS...must be supported by a current CWP. . . ." Since part 1721 only covers insured loans, no mechanism is presently in place to authorize minor projects under an RUS loan guarantee. Part 1710, subpart F, would, therefore, presently require inclusion of all projects in either a work plan or an amendment to a work plan and preclude authority for and funding of "minor projects" under an RUS loan guarantee. The purpose of this rule change is to clarify that minor projects may, in fact, be funded through an RUS loan guarantee, just as they are done under insured loan procedures without being specifically approved in a work plan or amendment.

List of Subjects in 7 CFR Part 1710

Electric power, Loan programs, Reporting and recordkeeping requirements, Rural areas.

Accordingly, 7 CFR part 1710 is amended as follows:

PART 1710—GENERAL AND PRE-LOAN POLICIES AND PROCEDURES COMMON TO INSURED AND GUARANTEED ELECTRIC LOANS, SUBPART C—LOAN POLICIES AND BASIC POLICIES

1. The authority citation for part 1710 is revised to read as follows:

Authority: 7 U.S.C. 901 *et seq.*, 1921 *et seq.*, and 6941 *et seq.*

2. Amend § 1710.106 by removing paragraph (a)(3), redesignating paragraphs (a)(4) through (a)(6) as (a)(3) through (a)(5), and revising paragraphs (a)(1)(i) and (a)(2)(i) to read as follows:

§ 1710.106 Uses of loan funds.

(a) * * * * *

(1) *Distribution facilities.* (i) The construction of new distribution facilities or systems, the cost of system improvements and removals less salvage value, the cost of ordinary replacements and removals less salvage value, needed to meet load growth requirements, improve the quality of service, or replace existing facilities.

* * * * *

(2) *Transmission and generation facilities.* (i) The construction of new transmission and generation facilities or systems, the cost of system improvements and removals, less salvage value, the cost of ordinary replacements and removals less salvage value, needed to meet load growth, improve the quality of service, or replace existing facilities.

* * * * *

3. Amend § 1710.250(f) by adding the following sentence to the end of the paragraph to read:

§ 1710.250 General.

* * * * *

(f) * * * Provision for funding of "minor projects" under an RUS loan guarantee is permitted on the same basis as that discussed for insured loan funds in 7 CFR part 1721, Post-Loan Policies and Procedures for Insured Electric Loans.

* * * * *

Dated: June 14, 1999.

Jill Long Thompson,

Under Secretary, Rural Development.

[FR Doc. 99-15703 Filed 6-21-99; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

10 CFR Part 72

RIN 3150-AF80

Miscellaneous Changes to Licensing Requirements for the Independent Storage of Spent Nuclear Fuel and High-Level Radioactive Waste

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations to correct several inconsistencies and to clarify certain sections of its regulations pertaining to the storage of spent fuel and high-level radioactive waste. The amendments differentiate the requirements for the storage of spent fuel under wet and dry conditions, clarify requirements for the content and submission of various reports, and specify that quality assurance (QA) records must be maintained as permanent records when identified with activities and items important to safety. These amendments are necessary to facilitate NRC inspections to verify compliance with reporting requirements to ensure the protection of public health and safety and the environment.

EFFECTIVE DATE: August 23, 1999.

FOR FURTHER INFORMATION CONTACT: M. L. Au, telephone (301) 415-6181, e-mail mla@nrc.gov, of the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

SUPPLEMENTARY INFORMATION:

Background

The Commission's licensing requirements for the independent storage of spent nuclear fuel and high-level radioactive waste are contained in 10 CFR part 72. NRC experience in applying Part 72 has indicated that certain additions and clarifications to the regulations are necessary. The NRC published a proposed rule in the **Federal Register** on June 9, 1998 (63 FR 31364).

When subpart L of part 72 was issued in 1990, the purpose and scope of these regulations (i.e., to approve the design of spent fuel storage casks and issue a Certificate of Compliance (CoC)) was not clearly indicated in §§ 72.1 and 72.2. Additionally, § 72.2 referred to a Federal Interim Storage Program; however, the statutory authorization for this program has expired.

The current regulations contain information in multiple locations on

where to send part 72 reports and applications to the NRC. These requirements were inconsistent and did not ensure that received information was properly docketed.

The current regulations in § 72.44 on reporting annual summaries of radioactive effluents released from dry storage casks impose an unnecessary regulatory burden on part 72 licensees by requiring submittal of these reports on a schedule that is different from that required by 10 CFR part 50. Most part 72 licensees are also part 50 licensees. Consequently, this regulation imposed an unnecessary regulatory burden on part 72 licensees.

The current regulations in § 72.75 on reporting requirements for specific events and conditions are inconsistent with the reporting requirements for similar reactor-type events contained in § 50.73.

The current regulations in §§ 72.122 and 72.124 on instrumentation and neutron poison efficacy requirements are unduly burdensome when applied to dry storage cask technology. The Commission has received nine requests for exemption from these regulations over the last three years.

The current regulations in subpart G (quality assurance (QA) requirements) regarding retention of part 72 QA records differ from the retention requirements imposed on part 50 license holders. However, § 72.140(d) currently allows a part 72 license holder to take credit for its part 50 QA program in meeting the requirements of subpart G with the result that differing retention requirements are imposed on part 72 licensees.

Discussion

This final rule makes eight clarifying changes to Part 72. These changes differentiate the requirements for the storage of spent fuel under wet and dry conditions and ensure that necessary information is included in reports and that QA records are maintained permanently when identified with activities and items important to safety. These reports and records are needed to facilitate NRC inspections to verify compliance with reporting requirements to ensure protection of public health and safety and the environment.

The following are a group of eight miscellaneous items of changes to the regulations:

1. Modify §§ 72.1 and 72.2 to include spent fuel storage cask and remove superseded information.

The purpose (§ 72.1) and scope (§ 72.2) were not modified when the Commission amended part 72 on July 18, 1990 (55 FR 29181). Part 72 was