

(ii) Multiply the number of miles so determined by 0.35 cent;

(iii) Subtract the other order's Class I price applicable at the shipping plant's location from the Class I price applicable at the receiving plant as specified in § 1046.52;

(iv) Subtract any positive difference computed in paragraph (d)(2)(iii) of this section from the amount computed in paragraph (d)(2)(ii) of this section; and

(v) Multiply the remainder computed in paragraph (d)(2)(iv) of this section by the hundredweight of milk described in paragraph (d)(2) of this section.

(3) For milk described in paragraph (c)(2) of this section, the market administrator shall:

(i) Determine an origination point for each load of milk by locating the nearest city to the last producer's farm from which milk was picked up for delivery to the receiving pool plant.

Alternatively, the milk hauler that is transporting the milk of producers described in paragraph (c)(2) of this section may establish an origination point following the last farm pickup by stopping at the nearest independently-operated truck stop with a certified truck scale and obtaining a weight certificate indicating the weight of the truck and its contents, the date and time of weighing, and the location of the truck stop;

(ii) Determine the shortest hard-surface highway distance between the receiving pool plant and the truck stop or city, as the case may be;

(iii) Subtract 85 miles from the mileage so determined;

(iv) Multiply the remaining miles so computed by 0.35 cent;

(v) If the origination point determined pursuant to paragraph (d)(3)(i) of this section is in a Federal order marketing area, subtract the Class I price applicable at the origination point pursuant to the provisions of such other order (as if the origination point were a plant location) from the Class I price applicable at the distributing plant receiving the milk. If the origination point is not in any Federal order marketing area, determine the Class I price at the origination point based upon the provisions of this order and subtract this price from the Class I price applicable at the distributing plant receiving the milk;

(vi) Subtract any positive difference computed in paragraph (d)(3)(v) of this section from the amount computed in paragraph (d)(3)(iv) of this section; and

(vii) Multiply the remainder computed in paragraph (d)(3)(vi) by the

hundredweight of milk described in paragraph (d)(3) of this section.

[FR Doc. 97-13000 Filed 5-19-97; 8:45 am]

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## DEPARTMENT OF AGRICULTURE

### Rural Utilities Service

#### 7 CFR Part 1710

RIN 0572-AA89

#### Long-Range Financial Forecasts of Electric Borrowers

AGENCY: Rural Utilities Service, USDA.

ACTION: Proposed rule.

**SUMMARY:** The Rural Utilities Service (RUS) proposes to amend its policy on long-range financial forecasts of electric borrowers. RUS requires that applicants for loans, loan guarantees, lien accommodations, and certain general fund approvals, submit, as part of their application, a long-range financial forecast. RUS loans are generally amortized over a period of 35 years, and the long-range financial forecast provides RUS information necessary to determine that the loans are feasible. This amended provision will eliminate some of the items in the present forecasting regulation that are no longer considered necessary to be included in borrower's forecast. Eliminated items include the sensitivity study for all forecasts, and a commercially available credit report for applicants seeking a loan or loan guarantee. The proposed regulation provides that RUS may request a sensitivity study on a case-by-case basis.

**DATES:** Written comments must be received by RUS or carry a postmark or equivalent by July 21, 1997.

**ADDRESSES:** Written comments should be addressed to William E. Davis, Program Advisor, Electric Program, Rural Utilities Service, U.S. Department of Agriculture, 1400 Independence Ave., SW., Washington, DC 20250-1569. RUS requires a signed original and three copies of all comments (7 CFR 1700.30(e)). Comments will be available for public inspection during regular business hours (7 CFR 1.27(b)).

**FOR FURTHER INFORMATION CONTACT:** William E. Davis, Program Advisor, Electric Program, Rural Utilities Service, U.S. Department of Agriculture, 1400 Independence Ave., SW., Washington, D.C. 20250-1569, telephone number: (202) 720-0738, E-mail: wdavis@rus.usda.gov.

#### SUPPLEMENTARY INFORMATION:

##### Executive Order 12866

This proposed rule has been determined to be not significant for purposes of Executive Order 12866 and therefore has not been reviewed by OMB.

##### Executive Order 12778

This proposed rule has been reviewed in accordance with Executive Order 12778, Civil Justice Reform. RUS has determined that this proposed rule meets the applicable standards provided in Section 3 of the Executive Order.

##### Regulatory Flexibility Act Certification

The Administrator of RUS has determined the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) definition of the rule does not include rules relating to the RUS electric program, and, therefore, the Regulatory Flexibility Act does not apply to this proposed rule.

##### Information Collection and Recordkeeping Requirements

The reporting and recordkeeping requirements contained in the proposed rule were approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended) under control number 0572-0032.

Send questions or comments regarding this burden or any other aspect of these collections of information, including suggestions for reducing the burden to William E. Davis, Program Advisor, Electric Program, Rural Utilities Service, 1400 Independence Ave., SW., Washington, D.C. 20250-1569.

##### National Environmental Policy Act Certification

RUS has determined that this proposed 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.

##### Catalog of Federal Domestic Assistance

The program described by this proposed rule is listed in the Catalog of Federal Domestic Assistance Programs under number 10.850 Rural Electrification Loans and Loan Guarantees. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, D.C. 20402-9325, telephone number (202)783-3238.

**Executive Order 12372**

This proposed rule is excluded from the scope of Executive Order 12372, Intergovernmental Consultation. A Notice of Final Rule entitled Department Programs and Activities Excluded from Executive Order 12372 (50 FR 47034) exempts RUS loans and loan guarantees to governmental and nongovernmental entities from coverage under this order.

**National Performance Review**

This regulatory action is being taken as part of the

National Performance Review program to eliminate unnecessary regulations and improve those that remain in force.

**Background**

Rural Utilities Services (RUS), makes loans, loan guarantees, and lien accommodations to provide electric service to new consumers, and to improve the quality and quantity of electric service to existing consumers in rural areas, as authorized by the Rural Electrification Act of 1936, as amended, 7 U.S.C. 901 *et seq.* (RE Act). According to the terms of the RE Act and RUS regulations, RUS may make a loan only if the Administrator of RUS determines that the security thereof is reasonably adequate and such loan will be repaid within the time agreed.

Regulations establishing the requirement that borrowers submit a long-range financial forecast as part of a loan application are set forth at 7 CFR part 1710, subpart G. On October 19, 1993, at 58 FR 53835, Rural Electrification Administration (REA), predecessor to RUS, published a rule, 7 CFR part 1717, subparts R and S, setting forth policies for lien accommodations and subordination. Under this regulation, RUS requires borrowers to submit a long-range financial forecast as part of certain applications for a lien accommodation or subordination. The proposed regulation will affect these requirements by changing how the long-range financial forecast is prepared.

**List of Subjects in 1 CFR Part 1710**

Electric power, Electric utilities, Loan programs-energy, Rural areas.

**PART 1710—GENERAL AND PRE-LOAN POLICIES AND PROCEDURES COMMON TO INSURED AND GUARANTEED ELECTRIC LOANS**

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

**Authority:** 7 U.S.C. 901–905b; Public Law 99–591, 100 Stat. 3341–16; Public Law 103–354, 108 Stat. 3178 (7 U.S.C. 6941 *et seq.*)

2. Section 1710.300 is amended by revising paragraph (d)(5) to read as follows:

**§ 1710.300 General.**

\* \* \* \* \*

(d) \* \* \*

(5) A sensitivity analysis may be required by RUS on a case-by-case basis. When RUS determines that a sensitivity analysis is necessary for Distribution Borrowers, the variables to be tested will be determined by the General Field Representative in consultation with the Borrower and the Regional Office. The Regional Office will consult with the Power Supply Division in the case of generation projects for Distribution Borrowers. For Power Supply Borrowers, the variables to be tested will be determined by the borrower and the Power Supply Division.

\* \* \* \* \*

3. Paragraph (f) of section 1710.300 is removed.

4. Section 1710.302 is amended by revising paragraphs (b), (d)(1), and (d)(5), to read as follows:

**§ 1710.302 Financial forecasts—power supply borrowers.**

\* \* \* \* \*

(b) The financial forecast shall cover a period of 10 years. RUS may request projections for a longer period of time if deemed necessary.

\* \* \* \* \*

(d) \* \* \*

(1) Identify all plans for generation and transmission capital additions and system operating expenses on a year-by-year basis, beginning with the present and running for 10 years, unless a longer period of time has been requested by RUS.

\* \* \* \* \*

(5) Include sensitivity analysis if required by RUS pursuant to § 1710.300(d)(5).

\* \* \* \* \*

Dated: May 9, 1997.

**Jill Long Thompson,**

*Under Secretary, Rural Development.*

[FR Doc. 97–13129 Filed 5–19–97; 8:45 am]

BILLING CODE 3410–15–P

**FEDERAL RESERVE SYSTEM****12 CFR Part 210**

[Regulation J; Docket No. R–0972]

**Collection of Checks and Other Items by Federal Reserve Banks and Funds Transfers Through Fedwire**

**AGENCY:** Board of Governors of the Federal Reserve System.

**ACTION:** Proposed rule.

**SUMMARY:** Effective January 1, 1998, the Reserve Banks will begin to implement a policy under which each depository institution may maintain only a single funds account with the Federal Reserve. A single account will establish a single debtor-creditor relationship between each institution and a Federal Reserve Bank and will make account management more efficient for banks with interstate branches. The Board is proposing amendments to subpart A of Regulation J to conform the Federal Reserve check collection rules to the single account structure.

**DATES:** Comments must be submitted on or before July 21, 1997.

**ADDRESSES:** Comments, which should refer to Docket No. R–0972, may be mailed to Mr. William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551. Comments addressed to Mr. Wiles also may be delivered to the Board's mail room between 8:45 a.m. and 5:15 p.m. and to the security control room outside of those hours. Both the mail room and the security control room are accessible from the courtyard entrance on 20th Street between Constitution Avenue and C Street, N.W. Comments may be inspected in Room MP–500 between 9:00 a.m. and 5:00 p.m. weekdays, except as provided in § 261.8 of the Board's Rules Regarding Availability of Information, 12 CFR 261.8.

**FOR FURTHER INFORMATION CONTACT:** Oliver Ireland, Associate General Counsel, (202/452–3625), Stephanie Martin, Senior Attorney (202/452–3198), or Heatherun Allison, Attorney (202/452–3565), Legal Division. For the hearing impaired *only*, contact Diane Jenkins, Telecommunications Device for the Deaf (TDD) (202/452–3544), Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551.

**SUPPLEMENTARY INFORMATION:****Overview**

The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (Pub. L. 103–328) made significant changes to various banking laws to authorize and facilitate interstate banking. Consequently, the number of depository institutions that operate branches in more than one Federal Reserve District is expected to increase. On January 1, 1998, the Federal Reserve Banks will begin to implement a new account structure that will provide a single Federal Reserve account for each