

**Information Items**

1. Amendments to make certain changes to resolutions on March 2, 1998, relating to the sale of the Tennessee Valley Authority Power Bonds.
2. Delegation of authority to the Vice President, Fuel Supply and Engineering, or a designated representative, to modify three coal contracts (Sextet Mining Company, Warrior Coal Corporation, and Peabody COALSALES Company) resulting from renegotiation under each contract's reopener provision.
3. Grant of permanent easements to the City of Chattanooga, Tennessee, for the expansion of the Chattanooga/Hamilton County Convention and Trade Center and a proposed conferencing center (Tract No. XCOFC-3E) (approximately 1.58 acres) and Tract No. XTCOFC-8E (approximately 0.76 acre).
4. TVA Contribution to the TVA Retirement System for Fiscal Year 1999.
5. TVA retiree medical contributions for persons covered by the Civil Service Retirement System and the Federal Employees Retirement System.
6. Amendments to the Rules and Regulations of the TVA Retirement System and the provision of the TVA Savings and Deferral Retirement Plan (401(k) Plan).
7. Grant of a permanent easement to Rhea County Economic and Tourism Council, Inc, for the construction, operation, and maintenance of a building, affecting approximately 1.90 acres of land on Chickamauga Lake in Rhea County, Tennessee (Tract No. XTCR-194B).
8. Contract with Mee Industries Incorporated to design, furnish, and install fogging evaporative inlet cooling systems for the entire fleet of 48 combustion turbines.

For more information: Please call TVA Public Relations at (423) 632-6000, Knoxville, Tennessee. Information is also available at TVA's Washington Office (202) 898-2999.

Dated: July 8, 1998.

**Edward S. Christenbury,**

*General Counsel and Secretary.*

[FR Doc. 98-18673 Filed 7-9-98; 8:48 am]

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**DEPARTMENT OF TRANSPORTATION****Office of the Secretary****Federal Aviation Administration**

[Docket No. OST 98-4025]

**Request for Public Comment on  
Competitive Issues Affecting the  
Domestic Airline Industry**

**AGENCY:** Office of the Secretary, Federal Aviation Administration, United States Department of Transportation.

**ACTION:** Request for public comment.

**SUMMARY:** The Department of Transportation is gathering information on airport practices and whether they may affect competition among air carriers. We intend to meet with airport and airline professional associations and other interested participants, review data and information provided by industry organizations, review of comments filed in this docket, and use other means as appropriate. Specifically, we seek to determine: (1) Whether airports have used Passenger Facility Charges in ways that have enhanced competition; (2) whether the types of issues raised in complaints to the Department regarding airport practices have prevented competition among air carriers; (3) whether leasing agreements and financing arrangements at airports limit access and thus competition; and (4) whether airport planning, development, and commercial practices limit access.

**DATES:** Comments should be received by September 1, 1998. Comments that are received after that date will be considered to the extent possible.

**ADDRESSES:** Comments should be sent to: Docket Clerk, Docket No. OST-98-4025, Room PL-401, United States Department of Transportation, 400 7th Street, SW, Washington DC, 20590.

**FOR FURTHER INFORMATION CONTACT:** Please contact James New (202-366-4868) or Larry Phillips (202-366-4382) for additional information on the scope of the Department's study or the name of the individual in DOT who is in the best position to answer your questions. A copy of this Notice can be obtained via the World Wide Web at: <http://www.dot.gov/ost/aviation/>. Comments placed in the docket will be available for viewing on the Internet.

**SUPPLEMENTARY INFORMATION:** Deregulation of the domestic airline industry has resulted in enormous benefits for the traveling public. Average air fares (adjusted for inflation) have declined approximately one-third since 1978, and airline service has

improved in the vast majority of markets. Despite the overall success of deregulation, however, questions remain as to whether certain conditions and institutional arrangements are preventing the industry from being as competitive as it could be. For example, several studies, including those performed by DOT staff, have found fare premiums at certain airports where market concentration is high and where new entrant air carriers have either not attempted or have been largely unsuccessful in establishing a significant market presence. In other instances, new entrant air carriers have encountered problems in gaining access to the range of airport facilities that would allow them to challenge incumbent air carriers.

Competition is a dynamic process, especially in the airline industry. Competition works best, however, when carriers are able to enter and exit markets in response to changing market conditions. Air carriers are only able to raise fares above competitive levels when competitors are unable to enter a market or to expand service. We recognize that the ability of an air carrier to provide new service at an airport depends on numerous factors, including the expected growth in passenger demand, the ability to gain access to gates and other critical facilities, the cost and marketing advantages incumbent air carriers enjoy, and the size of the irreversible ("sunk") investment an entrant would incur if it were forced to withdraw from the market.

Our objective is to gather information and data about current market conditions at airports. We are not investigating compliance or judging business practices. We welcome comments from all interested parties, including state and local officials, airport operators, air carriers, academics, financial experts, and the traveling public. Our goal is to have a final report completed by February 1999.

We are interested in obtaining information that would help us answer the following questions: (1) What is the exact nature of the airport (landside) constraints air carriers have encountered when attempting to enter a market or expand service? (2) Have these constraints been so significant as to preclude entry at certain airports? (3) What is the exact nature and competitive significance of the complaints that have been raised against current airport practices? (4) Do leasing practices and financing agreements at airports limit access and discourage entry? (5) Are airport financing practices



changing in ways that will allow airports to have greater control over how they allocate gates? (6) Have airport projects funded through Passenger Facility Charges been successful in promoting competition? Why or why not? (7) What actions have airports taken to promote entry? (8) How do Majority-in-Interest Agreements affect the competitive environment at airports? (9) Is there a trend away from long-term, exclusive-use gate leases? (10) Have airports reallocated gates away from incumbent carriers ("recapture" provisions) in ways that promote entry? (11) Do airports involve themselves in monitoring subleasing/use agreements among air carriers? (12) Do airports attempt to ensure that prices charged for subleased facilities or ancillary services are reasonable? (13) Is there any evidence that established air carriers are transferring access to airport facilities among themselves in ways that affect competition? (14) Are there reasons to retain current airport practices even if they adversely affect competition?

Issued in Washington, D.C., July 8, 1998.

**Rosalind A Knapp,**

*Deputy General Counsel, Department of Transportation.*

**Susan L. Kurland,**

*Assistant Administrator for Airports, Federal Aviation Administration.*

[FR Doc. 98-18615 Filed 7-10-98; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Coast Guard

[USCG-1998-4022]

#### In the Matter of Union Pacific (Formerly Known as Southern Pacific Transportation Company)

**AGENCY:** United States Coast Guard, DOT.

**ACTION:** Notice of proposed penalty; opportunity to comment.

**SUMMARY:** The United States Coast Guard gives notice of and provides an opportunity to comment on the proposed assessment of a Class II administrative penalty to Union Pacific, formerly known as Southern Pacific Transportation Company, for violations of the Federal Water Pollution Control Act (FWPCA). The alleged violations involved the discharge of approximately 1012 barrels of oil into the waters of Buffalo Bayou, Houston, Texas and adjoining shorelines from September 25, 1995 to September 29, 1996. Interested

persons may participate or file comments in this proceeding.

**DATES:** Filings in this matter must be received not later than August 12, 1998.

**ADDRESSES:** Interested persons must submit all filings in this matter to the Hearing Docket Clerk. Filings should reference ALG Docket number 98-0001-CIV.

If you file by mail, the address is Hearing Docket Clerk, Administrative Law Judge Docketing Center, United States Coast Guard, 40 South Gay Street, Room 412, Baltimore, Maryland 21202-4022.

If you file by fax, then send to (410) 962-1762.

If you file in person, then deliver the filings to the same address at room 412 between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

The public may inspect the administrative record for this Class II civil penalty proceeding at the same address and times.

**FOR FURTHER INFORMATION CONTACT:** Mr. George J. Jordan, Director of Judicial Administration, Office of the Chief Administrative Law Judge, Commandant (G-CJ), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593-0001, Telephone (202) 267-2940.

**SUPPLEMENTARY INFORMATION:** This proceeding is a Class II civil penalty proceeding brought under section 311(b) of the Federal Water Pollution Control Act (33 U.S.C. 1251 *et seq.*), as amended by the Oil Pollution Act of 1990 (33 U.S.C. 1321(b)). The FWPCA requires that the Coast Guard publish notice of the proposed issuance of an order assessing a Class II civil penalty in the **Federal Register**.

If you wish to be an interested person, you must file written comments on the proceeding or written notice of intent to present evidence at any hearing held in this Class II civil penalty proceeding with the Hearing Docket Clerk. You must file not later than August 12, 1998.

The following table explains how interested persons may participate in a Class II civil penalty proceeding.

If	Then
A hearing is scheduled.	<p>You will be given</p> <ul style="list-style-type: none"> <li>• Notice of any hearing.</li> <li>• A reasonable opportunity to be heard and to present evidence during any hearing.</li> <li>• Notice and a copy of the decision. 33 CFR 20.404.</li> </ul>

If	Then
The proceeding is concluded without a hearing.	<p>You may petition the Commandant of the Coast Guard to set aside the order and to provide a hearing.</p> <p>You must file the petition within 30 days after issuance of the administrative law judge's order. 33 CFR 20.1102.</p>

You can find the regulations concerning Class II civil penalty proceedings in 33 CFR Part 20.

This proceeding (ALJ Docket Number: 98-0001-CIV) results from an alleged discharge of approximately 1012 barrels of oil into Buffalo Bayou, Houston, Texas and adjoining shorelines beginning on or about September 25, 1995, and continuing through and including September 29, 1995. The Coast Guard filed the Complaint on June 1, 1998, at New Orleans, LA.

The Respondent is Union Pacific (formerly known as Southern Pacific Transportation Company), 808 Travis, Suite 620, Houston, Texas 77001.

The Coast Guard seeks a civil penalty of \$50,000.

Dated: July 7, 1998.

**George J. Jordan,**

*Director of Judicial Administration, Office of the Chief Administrative Law Judge, United States Coast Guard.*

[FR Doc. 98-18555 Filed 7-10-98; 8:45 am]

BILLING CODE 4910-15-M

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

[Docket No. FHWA-97-2287; MC-96-40]

#### Motor Carrier Regulatory Relief and Safety Demonstration Project; Modifications

**AGENCY:** Federal Highway Administration (FHWA), DOT.

**ACTION:** Notice; request for comments.

**SUMMARY:** The FHWA is extending the application period for the Motor Carrier Regulatory Relief and Safety Demonstration Project (Project), published in the **Federal Register** on June 10, 1997. The agency is also seeking public comment upon proposed modifications to the entry criteria and reporting requirements of the Project. In the June 1997 notice, the FHWA indicated that it would later publish additional information clarifying the eligibility criteria and application process. This notice is that clarifying document and proposes to provide additional incentives to participating