

organizations, and individuals to submit comments or suggestions on the environmental issues or the proposed scope of the supplement to the GEIS. Additionally, the NRC staff will host informal discussions one hour before the start of each session at the Lake Charter Township Hall. No formal comments on the proposed scope of the supplement to the GEIS will be accepted during the informal discussions. To be considered, comments must be provided either at the transcribed public meetings or in writing, as discussed below. Persons may register to attend or present oral comments at the meetings on the scope of the NEPA review by contacting Mr. Robert Schaaf, by telephone at 1-800-368-5642, extension 1312, or by Internet to the NRC at [CookEIS@nrc.gov](mailto:CookEIS@nrc.gov) no later than March 3, 2004. Members of the public may also register to speak at the meeting within 15 minutes of the start of each session. Individual oral comments may be limited by the time available, depending on the number of persons who register. Members of the public who have not registered may also have an opportunity to speak, if time permits. Public comments will be considered in the scoping process for the supplement to the GEIS. Mr. Schaaf will need to be contacted no later than March 1, 2004, if special equipment or accommodations are needed to attend or present information at the public meeting, so that the NRC staff can determine whether the request can be accommodated.

Members of the public may send written comments on the environmental scope of the CNP license renewal review to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, Mailstop T-6D59, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this **Federal Register** notice. Comments may also be delivered to the NRC, Room T-6D59, Two White Flint North, 11545 Rockville Pike, Rockville, Maryland, from 7:30 a.m. to 4:15 p.m. during Federal workdays. To be considered in the scoping process, written comments should be postmarked by April 6, 2004. Electronic comments may be sent by the Internet to the NRC at [CookEIS@nrc.gov](mailto:CookEIS@nrc.gov) and should be sent no later than April 6, 2004, to be considered in the scoping process. Comments will be available electronically and accessible through ADAMS at <http://www.nrc.gov/reading-rm/adams.html>.

Participation in the scoping process for the supplement to the GEIS does not entitle participants to become parties to the proceeding to which the supplement

to the GEIS relates. Notice of opportunity for a hearing regarding the renewal application was the subject of the aforementioned **Federal Register** notice (68 FR 62640). Matters related to participation in any hearing are outside the scope of matters to be discussed at this public meeting.

At the conclusion of the scoping process, the NRC will prepare a concise summary of the determination and conclusions reached, including the significant issues identified, and will send a copy of the summary to each participant in the scoping process. The summary will also be available for inspection in ADAMS at <http://www.nrc.gov/reading-rm/adams.html>. The staff will then prepare and issue for comment the draft supplement to the GEIS, which will be the subject of separate notices and separate public meetings. Copies will be available for public inspection at the above-mentioned addresses, and one copy per request will be provided free of charge. After receipt and consideration of the comments, the NRC will prepare a final supplement to the GEIS, which will also be available for public inspection.

Information about the proposed action, the supplement to the GEIS, and the scoping process may be obtained from Mr. Schaaf at the aforementioned telephone number or e-mail address.

Dated in Rockville, Maryland, this 29th day of January, 2004.

For the Nuclear Regulatory Commission.

**Pao-Tsin Kuo,**

*Program Director, License Renewal and Environmental Impacts Program, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation.*

[FR Doc. 04-2620 Filed 2-5-04; 8:45 am]

**BILLING CODE 7590-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49156; File No. SR-MBSCC-2001-06]

### Self-Regulatory Organizations; MBS Clearing Corporation; Order Granting Approval of a Proposed Rule Change Regarding the Monitoring of MBSCC Participants' Financial Condition and Activities

January 30, 2004.

#### I. Introduction

On November 27, 2001, MBS Clearing Corporation ("MBSCC")<sup>1</sup> filed with the

<sup>1</sup> On January 1, 2003, MBSCC was merged into the Government Securities Clearing Corporation ("GSCC") and GSCC was renamed the Fixed Income Clearing Corporation. Securities Exchange Act

Securities and Exchange Commission ("Commission") proposed rule change SR-MBSCC-2001-06 pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act").<sup>2</sup> On December 26, 2001, MBSCC filed an amendment to the proposed rule change. Notice of the proposal was published in the **Federal Register** on March 27, 2002.<sup>3</sup> On August 21, 2002,<sup>4</sup> October 22, 2002,<sup>5</sup> February 25, 2003,<sup>6</sup> April 10, 2003,<sup>7</sup> and October 10, 2003,<sup>8</sup> MBSCC filed amendments to the proposed rule change.<sup>9</sup> No comment letters were received. For the reasons discussed below, the Commission is granting approval of the proposed rule change.

#### II. Description

To strengthen MBSCC's monitoring of participants' financial condition and activities, as well as to conform its rules to its standard practices, MBSCC is amending its rules to (i) add a requirement that registered brokers and dealers submit copies to MBSCC of supplemental reports filed with the Commission pursuant to Rule 17a-11 and that all participants submit to MBSCC copies of any similar types of regulatory notifications and (ii) expand the financial criteria used by MBSCC for

Release No. 47015 (December 17, 2002), 67 FR 78531 (December 24, 2002) (File Nos. SR-GSCC-2002-10 and MBSCC-2002-01).

<sup>2</sup> 15 U.S.C. 78s(b)(1).

<sup>3</sup> Securities Exchange Act Release No. 45604 (March 20, 2002), 67 FR 14755.

<sup>4</sup> The August 21, 2002, amendment modified the proposed rule change with respect to MBSCC's acceptance of financial statements prepared in accordance with a non-domestic participant's home country generally accepted accounting principles. This portion of the proposed rule change was subsequently withdrawn. See *supra* note 7.

<sup>5</sup> The October 22, 2002, amendment made it clear that the requirement for participants to submit regulatory notices relating to declines in capital applies to all MBSCC members.

<sup>6</sup> The proposed rule change as originally filed established a formal surveillance status mechanism. The amendment filed on February 25, 2003, withdrew that portion of the proposed rule change.

<sup>7</sup> The amendment filed on April 10, 2003, withdrew the portion of the proposed rule change that would have allowed non-domestic participants to submit financial statements prepared in accordance with their home country generally accepted accounting principles.

<sup>8</sup> In the amendment filed on October 10, 2003, MBSCC corrected the date the proposed rule change was approved by MBSCC's board of directors and changed the person to contact regarding questions and comments about the proposed rule change.

<sup>9</sup> Republication of the notice is not necessary because the August 21, 2002, amendment made a change to the proposed rule change that was later withdrawn, the February 25, 2003, and April 10, 2003, amendments withdrew portions of the proposed rule change, the October 22, 2003, amendment made a change to clarify a portion of the proposed rule change, and the October 10, 2003, amendment made technical changes to the proposed rule change.

calculating a participant's financial ability.

The first modification to the rules requires broker-dealer participants to submit copies of supplemental reports filed pursuant to Rule 17a-11 to MBSCC concurrently with their submission to the Commission. Rule 17a-11 requires registered broker-dealers to notify the Commission of a decline in net capital below minimum requirements. In addition, MBSCC's participants may have other similar regulatory notification requirements imposed by the SEC, another regulator, or other similar authority when their capital levels or other financial requirements fall below certain levels. This rule change also requires participants to submit such notifications to MBSCC concurrently with their submission to the relevant regulatory authority. Such notices should provide MBSCC with an early warning of potential financial problems with respect to its participants.

The second modification allows MBSCC to use net asset value or other applicable indicia in calculating a participant's financial ability. MBSCC's rules do not currently specify the types of financial indicia that MBSCC may use to calculate a participant's net worth for determining whether the participant meets MBSCC's minimum financial requirements. MBSCC's analysts currently use the appropriate financial indicia for each type of participant. For example, shareholders equity is used to determine the financial ability of a bank whereas net asset value is more appropriate for determining the financial ability of certain types of funds, such as most registered investment companies. This rule change will expand the language in MBSCC's rules to permit use of the appropriate financial indicia.

### III. Discussion

Section 17A(b)(3)(F) of the Act requires that the rules of a clearing agency be designed to assure the safeguarding of securities and funds which are in the custody or control of MBSCC.<sup>10</sup> The rule change should help MBSCC to reduce risk by improving MBSCC's ability to monitor and assess the financial condition of its participants. Accordingly, the proposed rule change should help MBSCC to protect the securities and funds in its possession or control or for which it is responsible. Therefore, the Commission finds that the rule change is consistent with section 17A(b)(3)(F).

<sup>10</sup> 15 U.S.C. 78q-1(b)(3)(F).

### IV. Conclusion

On the basis of the foregoing, the Commission finds that the proposed rule change is consistent with the requirements of the Act and in particular with the requirements of section 17A of the Act and the rules and regulations thereunder applicable.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (File No. SR-MBSCC-2001-06) as amended be and hereby is approved.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>11</sup>

Jill M. Peterson,

Assistant Secretary.

[FR Doc. 04-2555 Filed 2-5-04; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49164; File No. SR-PCX-2004-03]

### Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto by the Pacific Exchange, Inc. Relating to the Extension of a Linkage Fee Pilot Program

January 30, 2004.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 28, 2004, the Pacific Exchange, Inc. ("Exchange" or "PCX") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. On January 30, 2004, the PCX filed Amendment No. 1 to the proposed rule change.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons and is approving the proposed rule change, as amended, on an accelerated basis.

<sup>1</sup> 17 CFR 200.30-3(a)(12).

<sup>15</sup> U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See letter from Steven B. Matlin, Senior Counsel, Regulatory Policy, PCX to Nancy Sanow, Assistant Director, Commission, dated January 29, 2004 ("Amendment No. 1"). In Amendment No. 1, the Exchange proposes to make technical corrections to the Schedule of Fees and Charges for Exchange Services, originally submitted as Exhibit A to the proposed rule change.

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

The Exchange is proposing to amend its Schedule of Fees and Charges For Exchange Services to extend until July 31, 2004 the current pilot program regarding transaction fees charged for trades executed through the options intermarket linkage ("Linkage").<sup>4</sup>

The proposed fee schedule is available at the Exchange and at the Commission.

### 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 PCX included statements concerning the purpose of, and 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 III below. The Exchange 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

##### 1. Purpose

The purpose of this proposed rule change is to extend for six months the pilot program establishing PCX fees for Principal ("P") Orders and Principal Acting as Agent ("P/A") Orders executed through Linkage. The fees currently are effective for a pilot program scheduled to expire on January 31, 2004, and this filing would extend the fees through July 31, 2004. The two fees the PCX charges for P and P/A Orders are: the \$.21 per contract side basic execution fees for trading on the PCX and a \$.05 comparison fee per contract side. These are the same fees that all Exchange Members pay for non-customer transactions executed on the PCX. The Exchange does not charge for the execution of Satisfaction Orders sent through Linkage and is not proposing to charge for such orders.

##### 2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act,<sup>5</sup> in general, and Section 6(b)(4)<sup>6</sup>, in particular, in that it provides for the equitable allocation of dues, fees

<sup>4</sup> See Securities Exchange Act Release No. 47786 (May 2, 2003), 68 FR 24779 (May 8, 2003) (SR-PCX-2003-08) (order approving pilot program).

<sup>5</sup> 15 U.S.C. 78f(b).

<sup>6</sup> 15 U.S.C. 78f(b)(4).