(c) The ''useable square footage'' excludes the following spaces when they occur within the spaces maintained by NARA. These specific areas are considered part of the common building space and not assignable as part of the total usable square footage.

(1) *Circulation.* (i) Main and secondary service corridors. Service corridors provide access between the loading dock, records and museum item storage areas, research rooms, and the museum display area. In order to qualify for exemption as a ''service corridor'' the corridor must be enclosed on both sides by floor to ceiling walls. General purpose corridors used for staff and visitor circulation are not excluded.

(ii) Code-required corridors. In order to qualify for exemption as a ''code required corridor'' the corridor must be enclosed on both sides by a fire-rated wall from floor slab to structural slab above and must be a required part of a ''means of egress'' or ''horizontal exit'' as defined in Section 5–1, 2 of the Life Safety Code (NFPA 101, 1997 edition), which is hereby incorporated by reference. The standard cited in this paragraph is available from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269–9101. It is also available for inspection at the Office of the Federal Register, 800 North Capitol Street, NW., Suite 700, Washington, D.C. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. These materials are incorporated by reference as they exist on the date of approval and a notice of any change in these materials will be published in the **Federal Register**.

(iii) Elevator shafts.

(iv) Stairs.

(v) Entrance weather vestibules.

(2) *Service areas.* (i) Public rest rooms (rest rooms that are only accessible to members of the staff are not excluded).

(ii) Maintenance rooms.

(iii) Locker rooms for custodial and mechanical staff.

(iv) Custodial closets (with or without sinks).

(v) Maintenance and custodial storerooms.

(vi) The driveway-level portion of the loading dock area within the exterior line of the building used solely to provide protection from the weather while loading/unloading.

(3) *Mechanical/electrical areas.* (i) Duct and service shafts.

(ii) Mechanical equipment rooms and boiler rooms.

(iii) Telecommunications closets.

(iv) Electrical closets.

Dated: August 17, 1998.

**John W. Carlin,**

*Archivist of the United States.*

[FR Doc. 98–22673 Filed 8–24–98; 8:45 am]

BILLING CODE 7515–01–P

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 62

**[GA–37–9819b; FRL –6143–6]**

### Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Georgia

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The EPA is approving a revision to the Georgia State Implementation Plan (SIP). This revision was to incorporate the Post 1996 Rate-of-progress Plan (9 percent plan) submitted by the State of Georgia through the Georgia Environmental Protection Division (EPD) on November 15, 1993, and amended on June 17, 1996, into the SIP. Supplemental information was submitted on April 14, 1988. This submittal was made to meet the reasonable further progress requirements of section 182(c)(2) of the Clean Air Act, as amended in 1990 (CAA).

In the Final Rules Section of this **Federal Register**, EPA is approving the Georgia State Plan submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates that it will not receive any significant, material, and adverse comments. A detailed rationale for the approval is set forth in the direct final rule published elsewhere in todays **Federal Register**. If no significant, material, and adverse comments are received no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on this action.

**DATES:** Comments must be received in writing by September 24, 1998.

**ADDRESSES:** Written comments should be addressed to Scott Martin at the EPA Regional Office listed below. Copies of the documents relevant to this proposed rule are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the day of the visit.

Environmental Protection Agency, Region 4, Air Planning Branch, 61 Forsyth Street, SW, Atlanta, Georgia 30303–3104.

Georgia Department of Natural Resources, Air Protection Branch, 4244 International Parkway, Suite 120, Atlanta, Georgia 30354.

**FOR FURTHER INFORMATION CONTACT:** Scott Martin at (404) 562–9036.

**SUPPLEMENTARY INFORMATION:** See the information provided in the Direct Final action which is located in the Rules Section of this **Federal Register**.

Dated: August 3, 1998.

**A. Stanley Meiburg,**

*Acting Regional Administrator, Region 4.*

[FR Doc. 98–22651 Filed 8–24–98; 8:45 am]

BILLING CODE 6560–50–P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Parts 32 and 64

**[CC Docket No. 98–81; FCC 98–108]**

### 1998 Biennial Regulatory Review—Review of Accounting and Cost Allocation Requirements; United States Telephone Association Petition for Rulemaking

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** In this Notice of Proposed Rulemaking, (*NPRM*), the Commission proposes as part of the biennial review to modify its accounting and cost allocation rules. The Commission proposes to raise the threshold significantly for required Class A accounting thus allowing mid-sized carriers currently required to use Class A accounts to use the more streamlined Class B accounts. In addition, the Commission proposes to establish less burdensome cost allocation manual (''CAM'') procedures for the mid-sized incumbent local exchange carriers (''LECs'') and to reduce the frequency with which independent audits of the cost allocations based upon the CAMs are required. Finally, the Commission propose several changes to the Uniform System of Accounts (''USOA'') to reduce accounting requirements and to eliminate or consolidate accounts.

**DATES:** Written comments by the public on the proposed information collections

are due July 17, 1998 and reply comments on or before September 4, 1998.

**ADDRESSES:** Office of the Secretary, Room 222, Federal Communications Commission, 1919 M Street, NW, Washington, DC 20554. In addition to filing comments with the Secretary, a copy of any comments on the information collections contained herein should be submitted to Judy Boley, Federal Communications Commission, Room 234, 1919 M Street, N.W., Washington, DC 20554, or via the Internet to jboley@fcc.gov, and to Timothy Fain, OMB Desk Officer, 10236 NEOB, 725—17th Street, N.W., Washington, DC 20503 or via the Internet to fain__t@al.eop.gov.

**FOR FURTHER INFORMATION CONTACT:** Warren Firschein, Accounting Safeguards Division, Common Carrier Bureau, (202) 418–1844. For additional information concerning the information collections contained in this NPRM contact Judy Boley at 202–418–0214, or via the Internet at jboley@fcc.gov.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Notice of Proposed Rulemaking (NPRM), CC Docket No. 98–81, adopted on June 2, 1998, and released on June 17, 1998. The full text of the NPRM is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street NW, Washington, DC. The complete text may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, Washington, DC 20036, telephone (202) 857–3800.

## Paperwork Reduction Act

This NPRM contains either a proposed information collection. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and the Office of Management and Budget (OMB) to comment on the information collections contained in this NPRM, as required by the Paperwork Reduction Act of 1995, Public Law 104–13. Public and agency comments are due at the same time as other comments on this NPRM; OMB notification of action is due October 26, 1998. Comments should address: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

*OMB Approval Number:* None.

*Title:* 1998 Biennial Regulatory Review—Review of Accounting and Cost Allocation Requirements, CC Docket No. 98–81.

*Form No.:* N/A.

*Type of Review:* New collection.

*Respondents:* Business or other for profit.

| Title | No. of respondents | Estimated time per response | Total annual burden |
|---|---|---|---|
| Uniform Systems of Accounts | 239 | 12,672.6 | 2,398,268 |
| Cost Allocation Manual | 18 | 600 | 10,800 |
| Auditor's Attestation | 19 | 342.1 | 6,500 |

*Total Annual Burden:* 2,415,568.

*Estimated costs per respondent:* $1,200,000.

*Needs and Uses:* This Notice of Proposed Rulemaking proposes to modify the Commission's accounting and cost allocation rules as part of the biennial review process. Specifically, the Commission proposes (1) to raise the threshold significantly for required Class A accounting, thus allowing mid-sized carriers currently required to use Class A accounts to use the more streamlined Class B accounts; (2) to establish less burdensome cost allocation manual (''CAM'') procedures for the mid-sized incumbent local exchange carriers (''LECs'') and to reduce the frequency with which independent audits of the cost allocations based upon the CAMs are required; and (3) to make certain changes to our Uniform System of Accounts (''USOA'') to reduce accounting requirements and to eliminate or consolidate accounts. If the proposals are adopted as proposed, we anticipate a reduction of over 500,000 burden hours. The proposed information collection requirements will provide the necessary information to enable this Commission to fulfill its regulatory responsibilities.

## Summary of Notice of Proposed Rulemaking

1. Section 11 of the Communications Act of 1934, as amended, requires the Commission, in every even-numbered year beginning in 1998, to review its regulations applicable to providers of telecommunications services to determine whether the regulations are no longer in the public interest due to meaningful economic competition between providers of such service and whether such regulations should be repealed or modified. Section 11 further instructs the Commission to ''repeal or modify any regulation it determines to be no longer necessary in the public interest.''

*Streamlining Accounting Requirements for Mid-Sized Incumbent LECs*

2. Section 32.11 of the Commission's rules establishes two classes of incumbent local exchange carriers for accounting purposes: Class A and Class B. Carriers with annual operating revenues above a designated indexed revenue threshold, currently $112 million, are classified as Class A; those with annual operating revenues below the threshold are considered Class B. The classification of a carrier is determined by its lowest annual operating revenues for the five immediately preceding years. Class A carriers must record their transactions in 261 accounts while Class B carriers maintain only 109 accounts. Our accounting system is designed to enable management and policymakers to assess the results of operational and financial events. The financial data contained in the accounts, together with the detailed information contained in the other subsidiary records required by the Commission, provide the information necessary to support jurisdictional separations, cost of service, and management reporting requirements. The basic account structure has been designed to remain stable as reporting requirements change.

3. We propose to streamline accounting requirements for certain mid-sized incumbent LECs based on the aggregate revenues of the incumbent LEC and any LEC that it controls, is controlled by, or with which it is under common control. If the aggregate revenues of these affiliated incumbent LECs are less than $7 billion, then each LEC within that group would be eligible

for Class B accounting, even if the annual operating revenue of any individual LEC exceeds $112 million. Among incumbent LECs, this revision would limit Class A accounting to the Bell Operating Companies and the GTE Operating Companies. All other incumbent LECs could use the Class B system of accounts. The $7 billion threshold will provide the Commission with Class A accounting data for nearly 90% of the industry for local exchange telecommunications, as measured by annual operating revenues.

4. We have maintained Class A and Class B accounting requirements since we revised the USOA more than ten years ago. Through our auditing functions and ongoing review of company financial information, we have had sufficient experience with carriers of different size to conclude tentatively that we can maintain the necessary degree of oversight and monitoring while imposing less administratively burdensome accounting requirements on the mid-sized carriers. We have reached this conclusion because we have generally found that mid-sized carriers typically conduct a lower volume of transactions involving competitive products and services than the large incumbent LECs, thus providing easier monitoring and oversight because there are fewer opportunities for these mid-sized carriers to subsidize competitive services with the revenues earned from the provision of noncompetitive services. We therefore tentatively conclude that mid-sized carriers may opt to use Class B accounting. We seek comment on these tentative conclusions and also specifically ask commenters to address any possible effects on jurisdictional separations that could result from adopting these tentative conclusions.

5. For the largest incumbent LECs, however, our review of these rules indicates that we should maintain the level of detail required by Class A accounting. We believe that the more detailed Class A accounting is required to monitor the large incumbent LECs as competition begins to develop in local telephony markets. The more detailed accounting requirements are also necessary for the Commission to uphold our statutory obligations under sections 254(k), 260, 271, 272, 273, 274, 275, and 276 of the Act. Class A accounting is necessary to ensure that the largest incumbent LECs are in compliance with these provisions, such as section 254(k)'s mandate that ''a telecommunications carrier may not use services that are not competitive to subsidize services that are subject to competition.'' The level of detail of the Class A accounting rules allows us to identify potential cost misallocations beyond those revealed by the Class B system of accounts. Although we are cognizant of the necessity of balancing our continuing need for information against our desire not to impose unreasonable or unnecessary reporting requirements, we have found that Class A accounting provides the level of detail needed to ensure that a carriers' emerging competitive activities are not subsidized by its noncompetitive activities. In allocating costs between regulated and nonregulated activities, use of Class A accounts also provides more refined cost allocations without imposing an undue burden on the largest incumbent LECs. Moreover, we have long recognized that, for managerial decision-making and other purposes, incumbent LECs maintain their financial records in significantly more detail than that required for Class A carriers in our Part 32 rules. Because incumbent LECs disaggregate their financial records into much greater detail than our Class A requirements, we tentatively conclude that the burden on the largest incumbent LECs resulting from Class A accounting and reporting requirements does not outweigh our needs for collecting financial information. We therefore intend to maintain the Class A accounting requirements for the largest incumbent LECs. We seek comment on this tentative conclusion and ask for comment whether, instead, we should relax Class A requirements for the largest incumbent LECs.

6. We note that our pole attachment formulas are based on Class A accounting detail. If the Commission adopts Class B accounts for mid-sized incumbent LECs as proposed herein, the ARMIS reports of the mid-sized incumbent LECs would no longer provide the details needed to calculate pole attachment fees using the pole attachment formulas. The details provided in eight Class A accounts are needed to provide data for the pole attachment formulas: six accounts associated with cable and wire facilities investment and expenses, and two accounts associated with network operations expenses. We seek comment on whether mid-sized incumbent LECs should be required to maintain subsidiary record categories to provide the data now provided in the eight Class A accounts and to report in ARMIS the information in the noted accounts as well as other information required by the pole attachment formulas.

7. We note that, while the same indexed revenue threshold is applied for Part 32 carrier classification purposes and Part 64 cost allocation purposes, the threshold is applied differently. For part 32 purposes, the accounting classification for a carrier is determined by its lowest annual operating revenues for the five immediately preceding years. For part 64 cost allocation purposes, carriers must file CAMs and obtain independent audits of their cost allocations based upon those CAMs after carriers exceed the indexed revenue threshold. This dichotomy provides unnecessary complexity to our rules. Accordingly, in light of our tentative conclusions to relax accounting requirements for certain mid-sized incumbent LECs, we see no reason to maintain the difference between the application of the indexed revenue threshold for part 32 and part 64 purposes. We have tentatively concluded that mid-sized LECs should continue to follow our Class B accounting rules until their annual revenues exceed $7 billion, thus, crossing the $112 million threshold will no longer have an effect on a carrier's cost allocation process. Because we see no reason to maintain the difference between exceeding the indexed revenue threshold for part 32 accounting or part 64 cost allocation purposes, we tentatively conclude that carriers should be classified as Class A at the start of the calendar year following the first time their annual operating revenues exceed the indexed revenue threshold. We seek comment on this tentative conclusion.

8. Section 64.903 of the Commission's rules requires incumbent LECs with $112 million or more in annual operating revenues to file CAMs setting forth the cost allocation procedures that they use to separate costs between regulated and nonregulated services. These CAMs include the following: (a) A description of each of the company's nonregulated activities; (b) a list of the activities that the company accords incidental accounting treatment; (c) a chart showing all of its corporate affiliates; (d) a statement identifying affiliates that engage in or will engage in transactions with the carrier entity and describing the nature, terms, and frequency of such transactions; (e) for each USOA account and subaccount, detailed specifications of the cost categories to which amounts in the account or subaccount will be assigned and of the basis on which each cost category will be apportioned; and (f) a description of the carrier's time reporting procedures. We tentatively conclude that we should reduce the administrative burden on mid-sized incumbent LECs by eliminating or

modifying some of the information required in their CAMs, because our experience has taught us that we can maintain the necessary degree of oversight and monitoring while imposing less administratively burdensome requirements on mid-sized incumbent LECs, which tend to have lower transactional volumes than the largest incumbent LECs.

9. We tentatively conclude that mid-sized incumbent LECs may maintain their accounts at the Class B level. Consistent with our proposed change in the level of accounting detail required, we tentatively conclude that mid-sized incumbent LECs should be permitted to submit their CAMs based upon the Class B system of accounts. We seek comment on these tentative conclusions. In the CAM section that describes nonregulated activities, carriers must include a matrix that shows each nonregulated product or service and the accounts associated with each product or service. In the CAM section describing cost allocation procedures, carriers are required to provide detail cost pools and allocation methods by account. By allowing mid-sized incumbent LECs to submit their CAMs based upon the Class B system of accounts, we intend to reduce the reporting burden of the nonregulated activity matrix and the cost apportionment section of the CAM. We seek comment on this approach.

10. Section 64.904 of the Commission's rules requires that an independent audit of reported cost allocation data must be performed annually for all carriers that are required to file cost allocation manuals. This rule requires that the audit shall provide a positive opinion that the reported data is presented fairly in all material respects and the audit shall be conducted in accordance with generally accepted auditing standards, except as otherwise directed by the Chief, Common Carrier Bureau. We propose to reduce the audit requirements for the mid-sized incumbent LECs. We tentatively conclude that mid-sized incumbent LECs be required to obtain an audit every two years instead of annually. We also propose that the required audit be an attest audit, which has significantly less stringent standards of testing, reporting and expression of opinion than the audits currently required. As stated before, our experience with carriers of different size leads us to conclude tentatively that we can maintain the necessary degree of oversight and monitoring while imposing less administratively burdensome requirements on mid-sized incumbent LECs. We tentatively conclude that the relaxation of the audit requirements as proposed above should significantly reduce the cost of the audit requirement for mid-sized incumbent LECs. We seek comment on these tentative conclusions.

11. For the largest incumbent LECs, however, our review of these rules indicates that we should maintain the annual audit requirements as presently provided for in § 64.904 of our rules. Because the largest incumbent LECs tend to conduct a much greater transactional volume of competitive services than the smaller and mid-sized carriers, there is a greater risk of harm to consumers and competitors from cross-subsidization among these carriers. As stated above, Class A accounting is necessary to properly monitor the largest incumbent LECs because these carriers tend to offer a large volume of competitive products and services, thereby creating numerous opportunities for these largest carriers to subsidize competitive services with the revenues earned from the provision of noncompetitive services. Accordingly, we believe that these audits are required to monitor the large incumbent LECs as competition begins to develop in local telephony markets and are necessary for the Commission to uphold our statutory obligations under sections 254(k), 260, 271, 272, 273, 274, 275, and 276 of the Act. We therefore intend to maintain the independent CAM audit requirements for the largest incumbent LECs.

*Accounting Changes*

12. We have conducted a review of our USOA accounts and tentatively conclude that a number of accounts or filing requirements may be reduced or eliminated. A description of these changes and a discussion of our rationale for our tentative conclusions are set forth below. These modifications will apply to all carriers subject to Part 32 and not just the mid-sized incumbent LECs. We invite comment on these proposals, and on whether, as an alternative, we could have less frequent audits for them as well.

13. *Consolidation of Accounts 2114, 2115, and 2116.* The United States Telephone Association (''USTA'') has recommended that we consolidate Account 2114, Special purpose vehicles, Account 2115, Garage work equipment, and Account 2116, Other work equipment, into a single new account. We tentatively conclude that the assets recorded in these accounts are similar in nature and have similar prescribed depreciation rates. In addition, these accounts are treated identically under the jurisdictional separations rules set forth in Part 36 of our rules. We tentatively conclude that the consolidation of these accounts into a single account entitled Account 2114, Tools and other work equipment, would reduce the carriers' accounting and reporting burdens and would not affect the amounts separated between the interstate and intrastate jurisdictions. We seek comment on these tentative conclusions.

14. *Consolidation of Accounts 6114, 6115, and 6116.* We also propose to consolidate Account 6114, Special purpose vehicles expense, Account 6115, Garage work equipment expense, and Account 6116, Other work equipment expense, into a single new account entitled Account 6114, Tools and other work equipment expense. The expenses recorded in these accounts are related to the assets recorded in Accounts 2114, 2115, and 2116 and should also be combined into a single account. In addition, these accounts are treated identically under the jurisdictional separations rules set forth in Part 36 of our rules. We tentatively conclude that the consolidation of these accounts into a single account would reduce the carriers' accounting and reporting burdens and would not affect the amounts separated between the interstate and intrastate jurisdictions. We seek comment on these tentative conclusions.

15. *Accounting for Nonregulated Revenues.* On September 16, 1997, USTA filed a petition for rulemaking requesting that the Commission amend sections 32.23(c) and 32.5280 of its rules to allow carriers to record revenues from all nonregulated activities in account 5280, Nonregulated operating revenues. Such an amendment would modify the current rule that instructs carriers to record revenue from nonregulated activities in account 5280 only if there is no other operating revenue account to which the revenue relates. USTA argues that the use of specific regulated accounts for nonregulated activities places carriers at a competitive disadvantage because competitors could determine product-specific revenue amounts related to incumbent LECs' nonregulated products and services. The petition also proposed elimination of account 5010, Public telephone revenue. Incumbent LECs record message revenue derived from public and semi-public telephone services provided within their basic service areas in account 5010. USTA argues that account 5010 is no longer needed as a result of the deregulation of payphone services as well as the changes it proposed with respect to account 5280. We tentatively conclude that the Commission's interest in ensuring that such costs and revenues

are segregated from the carriers' regulated revenues and expenses would continue to be served by allowing carriers to combine all nonregulated activities into one account. Thus, we tentatively conclude that account 5010 should be eliminated and that the language in sections 32.23(c) and 32.5280 should be revised consistent with USTA's petition. We seek comment on these tentative conclusions.

16. *Revision to Section 32.16, Changes in Accounting Standards.* Section 32.16 of the Commission's rules requires carriers to revise their records and accounts to reflect new accounting standards prescribed by the Financial Accounting Standards Board (''FASB''). This section provides that Commission approval of a change in accounting standards shall automatically take effect 90 days after a carrier notifies the Commission of its intention to follow a new standard. In the notification to the Commission, carriers are required to provide a revenue requirement study that analyzes the effects of the accounting change for the current year and a projection for three years into the future. In recent years, as carriers have adopted new FASB standards, we have found that the forecast data is not necessary to determine whether to approve the proposed modification. We therefore tentatively conclude that carriers should be required to provide only current year revenue requirement studies and that the requirement that carriers provide projected revenue requirement data should be eliminated. We seek comment on these tentative conclusions.

17. *Revision to Section 32.2000(b), Telecommunications Plant Acquired.* Section 32.2000(b)(4), requires carriers to submit for Commission approval the journal entries made to record acquisitions from other entities of telecommunications plant that cost more than $1 million for Class A carriers and $250,000 for Class B carriers. It requires that the text for these entries shall include a complete description of the property acquired and the basis upon which the entries were determined. This requirement was established to ensure that plant acquired from other carriers is recorded at original cost as required in section 32.2000(b) and so does not inflate the rate base or allow recovery of depreciation expense already recovered by the previous owner of the plant. The requirement to record plant acquired from other entities at original cost is well established, and we tentatively conclude that other accounting safeguards such as ARMIS reporting and our audit program, together with our ability to obtain additional information as necessary, are sufficient to assure that carriers will comply with this accounting requirement. We tentatively conclude, therefore, that it is no longer necessary to require the routine filing of these journal entries to ensure that carriers comply with the accounting requirements of section 32.2000(b). Accordingly, we propose to eliminate this filing requirement. We seek comment on this proposal.

18. Finally, we seek proposals for other accounts or filing requirements that could be reduced or eliminated.

*Procedural Matters*

19. *Initial Regulatory Flexibility Analysis.* The Regulatory Flexibility Act (RFA) requires that an initial regulatory flexibility analysis be prepared for notice-and-comment rulemaking proceedings, unless the agency certifies that ''the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.'' The RFA generally defines ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small business concern'' under the Small Business Act. A small business concern is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA).

20. This NPRM proposes to raise the threshold significantly for required Class A accounting thus allowing mid-sized carriers currently required to use Class A accounts to use the more streamlined Class B accounts, proposes to establish less burdensome CAM procedures for the mid-sized incumbent LECs and to reduce the frequency with which independent audits of the cost allocations based upon the CAMs are required, and proposes several changes to our USOA to reduce accounting requirements and to eliminate or consolidate accounts. Neither the Commission nor SBA has developed a definition of ''small entity'' specifically applicable to LECs. The closest definition under SBA rules is that for establishments providing ''Telephone Communications, Except Radiotelephone,'' which is Standard Industrial Classification (SIC) code 4813. Under this definition, a small entity is one employing no more than 1,500 persons.

21. We certify that the proposals in this NPRM, if adopted, will not have a significant economic impact on a substantial number of small entities. Pursuant to long-standing rules, incumbent LECs with annual operating revenues exceeding the indexed revenue threshold must report financial and operating data to the Commission. This NPRM proposes to reduce certain of these reporting requirements among mid-sized incumbent LECs. These changes should be easy and inexpensive for mid-sized incumbent LECs to implement and will not require costly or burdensome procedures. We therefore expect that the potential impact of the proposal rules, if such are adopted, is beneficial and does not amount to a possible significant economic impact on affected entities. If commenters believe that the proposals discussed in the NPRM require additional RFA analysis, they should include a discussion of these issues in their comments.

22. The Commission's Office of Public Affairs, Reference Operations Division, will send a copy of this Notice, including this initial certification, to the Chief Counsel for Advocacy of the Small Business Administration.

23. *Comment Filing Procedures.* Pursuant to applicable procedures set forth in Sections 1.415 and 1.419 of the Commission's Rules, 47 CFR 1.415, 1.419, interested parties may file comments no later than July 17, 1998, and reply comments on or before September 4, 1998. To file formally in this proceeding, you must file an original and four copies of all comments, reply comments, and supporting comments. If you want each Commissioner to receive a personal copy of your comments, you must file an original and nine copies. Comments and reply comments should be sent to the Office of the Secretary, Federal Communications Commission, 1919 M Street, N.W. Room 222, Washington, D.C. 20554, with a copy to Warren Firschein, Accounting Safeguards Division, Common Carrier Bureau, FCC, 2000 L Street, Suite 200, Washington, DC 20554. Parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, International Transcription Services (ITS), at its office at 1231 20th Street, N.W., Washington, D.C. 20036. Comments and reply comments will be made available for public inspection during regular business hours in the FCC Reference Center, 1919 M Street, N.W., Room 239, Washington, D.C. 20554.

24. Comments and reply comments must include a short and concise summary of the substantive arguments raised in the pleading. Comments and reply comments must also comply with

section 1.49 and all other applicable sections of the Commission's rules. We also direct all interested parties to include the name of the filing party and the date of the filing on each page of their comments and reply comments. All parties are encouraged to utilize a table of contents, regardless of the length of their submission.

25. Parties are also strongly encouraged to submit comments and reply comments on diskette. Such diskette submissions would be in addition to, and not a substitute for, the formal filing requirements addressed above. Interested parties submitting diskettes should submit them to Warren Firschein, Accounting Safeguards Division, Common Carrier Bureau, 2000 L Street, N.W., Suite 200, Washington, D.C. 20554. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using Wordperfect 5.1 for Windows software. The diskette should be submitted in ''read only'' mode. The diskette should be clearly labeled with the party's name, proceeding, Docket No., type of pleading (comment or reply comments), date of submission, and filename with the ''*.wp extension. The diskette should be accompanied by a cover letter.

26. This proceeding will be treated as a ''permit-but-disclose'' proceeding subject to the ''permit-but-disclose'' requirements under Section 1.1206(b) of the rules, 47 CFR 1.1206(b)(2), as revised. Additional rules pertaining to oral and written presentations are set forth in Section 1.1206(b).

**Ordering Clauses**

27. Accordingly, it is ordered that, pursuant to sections 1, 2, 4, and 11 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154, and 161 that notice is hereby given of proposed amendments to part 32 and 64 of the Commission's rules, 47 CFR parts 32 and 64, as described in this Notice of Proposed Rulemaking.

28. It is further ordered that, pursuant to sections 1, 4, and 220 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, and 220, and § 1.401 of the Commission's rules, 47 CFR 1.401, the Petition for Rulemaking of the United States Telephone Association is granted to the extent indicated herein.

29. It is further ordered that the Commission's Office of Public Affairs, Reference Operations Division, shall send a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Certification, to the Chief Counsel for Advocacy of the Small Business Administration.

**List of Subjects**

*Part 32*

Communications common carriers, Reporting and recordkeeping requirements, Telephone, Uniform System of Accounts.

*Part 64*

Communications common carriers, Reporting and recordkeeping requirements, Telephone.

Federal Communications Commission.

**Magalie Roman Salas,**

*Secretary.*

[FR Doc. 98–22601 Filed 8–24–98; 8:45 am]

BILLING CODE 6701–12–P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 73

**[MM Docket No. 98–152, RM–9338]**

### Radio Broadcasting Services; Avon, NC

**AGENCY:** Federal Communications Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Commission requests comments on a petition filed by Avon Broadcasting Company to allot Channel 294A to Avon, NC, as its first local aural service. Channel 294A can be allotted to Avon in compliance with the Commission's minimum distance separation requirements without the imposition of a site restriction, at coordinates 35–21–06 North Latitude; 75–30–24 West Longitude. Petitioner is requested to provide further information to demonstrate that Avon is a community for allotment purposes.

**DATES:** Comments must be filed on or before October 13, 1998, and reply comments on or before October 28, 1998.

**ADDRESSES:** Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, or its counsel or consultant, as follows: Richard J. Hayes, Jr., 8404 Lee's Ridge Road, Warrenton, VA 20186.

**FOR FURTHER INFORMATION CONTACT:** Leslie K. Shapiro, Mass Media Bureau, (202) 418–2180.

**SUPPLEMENTARY INFORMATION:** This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 98–152, adopted August 12, 1998, and released August 21, 1998. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (202) 857–3800, 1231 20th Street, NW, Washington, DC 20036.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

**List of Subjects in 47 CFR Part 73**

Radio broadcasting.

Federal Communications Commission.

**John A. Karousos,**

*Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.*

[FR Doc. 98–22808 Filed 8–24–98; 8:45 am]

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

### 50 CFR Part 216

**[Docket No. 970703165–8208–02; I.D. 062397A]**

**RIN 0648–AK00**

### Taking and Importing Marine Mammals; Taking of Marine Mammals Incidental to Power Plant Operations

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Proposed rule; request for comment and information.

**SUMMARY:** NMFS has received an application from North Atlantic Energy Service Corporation (North Atlantic) for an incidental small take exemption under the Marine Mammal Protection Act (MMPA) to take a small number of marine mammals incidental to routine operations of the Seabrook Station nuclear power plant, Seabrook, NH (Seabrook Station). By this document, NMFS is proposing regulations to allow incidental takes of certain species of