(CAS No. 2052–07–5); 1,1′-(Biphenyl, 3-bromo- (CAS No. 2113–57–7); 1,1′-(Biphenyl, 2,2′, 3,3′, 4,4′, 5,5′, 6,6′-decabromo- (CAS No. 13654–09–6); Nonabromobiphenyl (CAS No. 27753–52–2); Octabromobiphenyl (CAS No. 27858–07–7); and Hexabromobiphenyl (CAS No. 36355–01–8) are subject to reporting under this section for the significant new uses described in paragraph (a)(1)(i) of this section.

(i) The significant new use is: Any use.

(ii) *Specific requirements*. The provisions of subpart A of this part apply to this section except as modified by this paragraph.

(A) *Persons who must report*. Section 721.5 applies to this section except for § 721.5(a)(2). A person who intends to manufacture, import, or process for commercial purposes a substance identified in paragraph (a)(1) of this section and intends to distribute the substance in commerce must submit a significant new use notice.

(B) [Reserved]

(2) The chemical substance identified as 1,1′-(Biphenyl, 4-bromo- (CAS No. 92–66–0) is subject to reporting under this section for the significant new uses described in paragraph (a)(2)(i) of this section.

(i) The significant new uses are:

(A) *Industrial, commercial, and consumer activites*. Requirements as specified in § 721.80 (f), (j), and (s) (10,000 kilograms).

(B) *Release to water*. Requirements as specified in § 721.90 (a)(1), (b)(1), and (c)(1).

(ii) *Specific requirements*. The provisions of subpart A of this part apply to this section except as modified by this paragraph.

(A) *Recordkeeping*. Recordkeeping requirements as specified in § 721.125 (a), (b), (c), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

(B) *Limitations or revocation of certain notification requirements*. The provisions of § 721.185 apply to this section.

(C) *Determining whether a specific use is subject to this section*. The provisions of § 721.1725(b)(1) apply to this section.

(b) [Reserved]

4. Section 721.5740 is amended by revising paragraphs (a) and (b)(1) as follows:

**§ 721.5740 Phenol, 4,4′-methylenebis (2,6-dimethyl-.**

(a) *Chemical substance and significant new uses subject to reporting*. (1) The chemical substance identified as Phenol, 4,4′-methylenebis (2,6-dimethyl- (PMNs P–88–864, P–90–211, and P–94–921; CAS No. 5384–21–4) is subject to reporting under this section for the significant new uses described in paragraph (a)(2) of this section.

(2) The significant new uses are:

(i) *Protection in the workplace*. Requirements as specified in § 721.63 (a)(1), (a)(3), (a)(4), (a)(5)(ii), (a)(5)(iv), (a)(5)(v), (a)(6)(i), (b) (concentration set at 1 percent), and (c).

(ii) *Hazard communication program*. Requirements as specified in § 721.72 (a), (b), (c), (d), (e) (concentration set at 1 percent), (f), (g)(1)(iv), (g)(2)(iv), (g)(2)(v), (g)(3)(ii), (g)(4)(iii), and (g)(5). The label and MSDS as required by this paragraph shall also include the following statements: This substance may cause blood effects. This substance may cause chronic effects.

(iii) *Industrial, commercial, and consumer activities*. Requirements as specified in § 721.80 (g), (l), and (q).

(iv) *Release to water*. Requirements as specified in § 721.90 (a)(1), (b)(1), and (c)(1).

(b) * * *

(1) *Recordkeeping*. Recordkeeping requirements as specified in § 721.125 (a), (b), (c), (d), (e), (f), (g), (h), (i), and (k) are applicable to manufacturers, importers, and processors of this substance.

* * * * *

5. Section 721.8450 is amended by revising paragraphs (a)(2)(i) and (a)(2)(ii) to read as follows:

**§ 721.8450 2-Propenoic acid, 2-methyl-, 2-[3-(2H-benzotriazol-2-yl)-4-hydroxyphenyl]ethyl ester.**

(a) * * *

(2) * * *

(i) *Protection in the workplace*. Requirements as specified in § 721.63 (a)(1), (a)(3), (a)(4), (a)(5)(ii), (a)(5)(iv), (a)(5)(v), (a)(6)(i), (a)(6)(ii), (a)(6)(iv), (b) (concentration set at 1.0 percent), and (c).

(ii) *Hazard communication program*. Requirements as specified in § 721.72 (a), (b), (c), (d), (e) (concentration set at 1.0 percent), (f), (g)(1)(i), (g)(1)(ii), (g)(1)(iv), (g)(1)(vi), (g)(1)(viii), (g)(2)(i), (g)(2)(ii), (g)(2)(iv), (g)(2)(v), and (g)(5).

* * * * *

6. Section 721.9800 is amended by revising paragraph (a)(2)(i) to read as follows:

**§ 721.9800 Poly(substituted triazinyl) piperazine (generic name).**

(a) * * *

(2) * * *

(i) *Hazard communication program*. Requirements as specified in § 721.72 (b)(2), (c), (e) (concentration set at 1.0 percent), (f), (g)(1) (statement-health effects not fully determined), (g)(2)(i), (g)(2)(ii), (g)(2)(iii), and (g)(5). The requirements of this paragraph shall not apply when the PMN substance is encapsulated in a polymeric matrix.

* * * * *

[FR Doc. 98–23208 Filed 8–27–98; 8:45 am]

BILLING CODE 6560–50–F

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Chapter I

**[CC Docket No. 91–141; FCC 98–199]**

### Expanded Interconnection With Local Telephone Company Facilities

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule.

**SUMMARY:** The Order on Reconsideration (Order) released August 18, 1998 denies Association for Local Telecommunications Services and WilTel, Inc. Petitions for Reconsideration of the *Expanded Interconnection with Local Telephone Company Facilities*, CC Docket No. 91–141, Third Report and Order, Transport Phase, II (*Tandem Switching Order*), and grants the motion to withdraw filed by Southwestern Bell Telephone Company.

**EFFECTIVE DATE:** September 28, 1998.

**FOR FURTHER INFORMATION CONTACT:** Jason Oxman, Attorney, Common Carrier Bureau, Policy and Program Planning Division, (202) 418–1580.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission's Order On Reconsideration adopted August 12, 1998, and released August 18, 1998. The full text of this Order is available for inspection and copying during normal business hours in the FCC Reference Center, 1919 M St., N.W., Room 239, Washington, D.C. The complete text also may be obtained through the World Wide Web, at http://www.fcc.gov/Bureaus/Common Carrier/Orders/fcc98–199.wp, or may be purchased from the Commission's copy contractor, International Transcription Service, Inc., (202) 857–3800, 1231 20th St., N.W., Washington, D.C. 20036.

### Regulatory Flexibility Certification

In the *Tandem Switching Order*, the Commission noted that it certified in the *Second Notice of Proposed Rulemaking*, 57 FR 56888, December 1, 1992, that the conclusions it proposed to adopt would not have a significant economic impact on a substantial number of small business entities. No comments were

submitted in response to the Commission's request for comment on its certification. In this present *Order on Reconsideration,* the Commission promulgates no additional final rules, and our action does not affect the previous analysis.

**Synopsis of Order on Reconsideration**

1. In its *Third Report and Order,* 59 FR 32925 June 27, 1994, in the expanded interconnection proceeding, the Commission directed all Tier 1 local exchange carriers (LECs), except National Exchange Carrier Association, Inc. (NECA) pool members, to provide third parties with the signalling information necessary for these parties to supply tandem switching. Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91–141, Third Report and Order, Transport Phase II, 9 FCC Rcd 2718 (1994) (*Tandem Switching Order*). Three parties filed for reconsideration of the *Tandem Switching Order,* but one of the three parties has sought to withdraw its petition. For the reasons discussed below, we deny the two remaining petitions.

2. The *Tandem Switching Order* required Tier 1 incumbent LECs other than NECA pool members to provide all interested third parties, such as competitive local exchange carriers, interexchange carriers (IXCs), and end users, with the signalling information necessary for those parties to install their own tandems to provide tandem switching services. These third parties, called tandem switch providers (TSPs), would then be able to compete with the incumbent LECs in providing tandem switched transport. Tandem switched transport refers to traffic transported by means of a tandem switch, which is an intermediate switch between an originating telephone call location and the final destination of the call. TSPs carry traffic of multiple interexchange carriers from LEC end offices to their own tandems, and then deliver the traffic to the appropriate IXC. The Commission found that availability to third parties of signalling information needed for tandem switching could provide significant public benefits, such as facilitating broader access competition by enabling interconnectors to offer competitive interstate tandem switching and transport services. In the Commission's view, small IXCs, which rely heavily on tandem-switched transport, would particularly benefit. The Commission also found that competitive tandem switching would yield other benefits, such as putting downward pressure on access charges and long-distance rates, increasing technological innovation, and making more efficient use of the country's telecommunications networks. The Commission determined that the benefits of allowing this competition outweigh the *de minimis* potential costs incurred by the incumbent LECs in providing the necessary signalling. Finally, the *Tandem Switching Order* explicitly did not require incumbent LECs to provide signalling information from their tandem offices. The Commission found that the record did not reveal how tandem-to-tandem interconnection could be competitively viable, either from a service quality or pricing perspective.

3. WilTel, Inc. (WilTel) and the Association for Local Telecommunications Services (ALTS) filed petitions for reconsideration of the *Tandem Switching Order* urging the Commission to reconsider its decision not to require tandem-to-tandem interconnection. Southwestern Bell Telephone Company (SWBT) also filed a petition for clarification and reconsideration of the *Tandem Switching Order,* claiming technical difficulties in implementing that order. SWBT subsequently filed a motion to withdraw its petition.

4. We deny the WilTel and ALTS petitions to reconsider the Commission's decision not to require incumbent LECs to provide signalling from their tandems in its *Tandem Switching Order.* The Commission explicitly considered and decided against requiring LECs to provide tandem-to-tandem interconnection, finding that the costs of tandem-to-tandem signalling were not shown to be justified by either the benefits of, or demand for, such signalling. Nothing in the record on reconsideration persuades us to alter this finding. First, the petitioners have not presented sufficient evidence to demonstrate that demand for this service exists or that this is a viable service. Even WilTel admits that the demand for this service is speculative. In addition, while some commenters claim that tandem-to-tandem switching is necessary to provide ubiquitous service, they do not dispute that such a goal may be achieved by collocating at LEC tandems and routing traffic from those tandems to their own tandems, using separate trunk groups for each IXC. Instead, these commenters argue only in general terms that this option is not cost-efficient. Second, petitioners have failed to support their claim that the costs associated with tandem-to-tandem interconnection would be minimal. The LECs claim that they would incur significant costs to develop standards and upgrade software to provide tandem-to-tandem signalling. While the parties seeking tandem-to-tandem interconnection urge that the costs associated with such interconnection are minimal, they have not provided any precise information to support those assertions. On this record, we thus conclude that WilTel and ALTS have not met their burden of persuading us to reconsider the Commission's earlier decision in the *Tandem Switching Order.*

5. We note here that the record suggests no reason why carriers desiring signalling from LEC tandems cannot obtain that signalling through the separate, yet to some extent parallel, interconnection requirements mandated by the Telecommunications Act of 1996 and the Commission's subsequent order establishing rules implementing those requirements. Sections 251(c)(2) and 251(c)(3) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, obligate incumbent LECs to provide interconnection and access to unbundled elements, upon request, at any ''technically feasible point.'' As explained in the *Local Competition Order,* the term ''technically feasible'' refers solely to technical or operational concerns, rather than economic, space, or site considerations.

6. Finally, we agree with many of the LEC commenters that consideration of modification of the Commission's new services test for LECs subject to price cap regulation is beyond the scope of this proceeding. Such arguments are more properly raised in petitions filed regarding individual tariffs, and we therefore decline to consider them here. For the reasons discussed, we affirm our decision not to require LECs to provide tandem-to-tandem signalling.

7. Accordingly, pursuant to the authority contained in sections 1, 4, and 201–205 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, and 201–205, *It is ordered* that the petition for reconsideration of the Association for Local Telecommunications Services and the petition for reconsideration of WilTel, Inc. *Are Denied* as described.

8. *It is Further Ordered* that the Motion to Withdraw Southwestern Bell Telephone's Petition for Clarification and Reconsideration *is granted.*

9. *It is Further Ordered* that the Motion for Leave to File Late Reply of WilTel, Inc. *is granted.*

Federal Communications Commission.

**Magalie Roman Salas,**

*Secretary.*

[FR Doc. 98–23148 Filed 8–27–98; 8:45 am]

BILLING CODE 6712–01–P

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Parts 54

**[CC Docket No. 96–45; FCC 98–120]**

### Federal-State Joint Board on Universal Service

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule; correction.

**SUMMARY:** This document corrects portions of the Commission's rules that were published in the **Federal Register** of August 12, 1998 (63 FR 43088).

**EFFECTIVE DATE:** August 28, 1998.

**FOR FURTHER INFORMATION CONTACT:** Irene Flannery, Common Carrier Bureau, (202) 418–7400 or Adrian Wright, Common Carrier Bureau, (202) 418–7400.

**SUPPLEMENTARY INFORMATION:** The Federal Communications Commission published a document amending part 54 of the Commission's rules in the **Federal Register** of August 12, 1998 (63 FR 43088). In rule FR Doc. 98–21588, published on August 12, 1998, (63 FR 43088) make the following correction:

1. On page 43097, in the first column, instruction number 2 and related regulatory text in § 54.507 are corrected to read as follows:

2. Section 54.507 is amended by revising paragraphs (a) and (b), by redesignating introductory paragraph (g) as (g)(2), redesignating paragraphs (g)(1) through (g)(4) as (g)(2)(i) through (g)(2)(i)(iv), adding new introductory paragraph (g) and adding new paragraph (g)(1) to read as follows:

**§ 54.507 Cap.**

(a) *Amount of the annual cap.* The annual cap on federal universal service support for schools and libraries shall be $2.25 billion per funding year, and all funding authority for a given funding year that is unused in that funding year shall be carried forward into subsequent funding years for use in accordance with demand, with the following exceptions:

(1) No more than $625 million shall be collected or spent for the funding period from January 1, 1998 through June 30, 1998. No more than $325 million shall be collected for the funding period from July 1, 1998 through September 30, 1998. No more than $325 million shall be collected for the funding period from October 1, 1998 through December 31, 1998. No more than $325 million shall be collected for the funding period from January 1, 1999 through March 31, 1999. No more than $325 million shall be collected for the funding period from April 1, 1999 through June 30, 1999. No more than $1.925 billion shall be collected or disbursed during the eighteen month period from January 1, 1998 through June 30, 1999.

(2) The carryover of unused funding authority will not apply for the funding period January 1, 1998 through June 30, 1999. To the extent that the amounts collected in the funding period January 1, 1998 through June 30, 1999 are less than $2.25 billion, the difference will not be carried over to subsequent funding years. Carryover of funds will occur only to the extent that funds are collected but not disbursed in the funding period January 1, 1998 through June 30, 1999.

(b) *Funding year.* A funding year for purposes of the schools and libraries cap shall be the period July 1 through June 30. For the initiation of the mechanism only, the eighteen month period from January 1, 1998 to June 30, 1999 shall be considered a funding year. Schools and libraries filing applications within the initial 75-day filing window shall receive funding for requested services through June 30, 1999.

* * * * *

(g) *Rules of priority.* Schools and Libraries Corporation shall act in accordance with paragraph (g)(1) of this section with respect to applicants that file a Form 471, as described in § 54.504(c) of this part, when a filing period described in paragraph (c) of this section is in effect. Schools and Libraries Corporation shall act in accordance with paragraph (g)(2) of this section with respect to applicants that file a Form 471, as described in § 54.504(c) of this part, at all times other than within a filing period described in paragraph (c) of this section.

(1) When the filing period described in paragraph (c) of this section closes, Schools and Libraries Corporation shall calculate the total demand for support submitted by applicants during the filing period. If total demand exceeds the total support available for that funding year, Schools and Libraries Corporation shall take the following steps:

(i) Schools and Libraries Corporation shall first calculate the demand for telecommunications services and Internet access for all discount categories, as determined by the schools and libraries discount matrix in § 54.505(c) of this part. These services shall receive first priority for the available funding.

(ii) Schools and Libraries Corporation shall then calculate the amount of available funding remaining after providing support for all telecommunications services and Internet access for all discount categories. Schools and Libraries Corporation shall allocate the remaining funds to the requests for support for internal connections, beginning with the most economically disadvantaged schools and libraries, as determined by the schools and libraries discount matrix in § 54.505(c) of this part. Schools and libraries eligible for a 90 percent discount shall receive first priority for the remaining funds, and those funds will be applied to their requests for internal connections.

(iii) To the extent that funds remain after the allocation described in §§ 54.507(g)(1) (i) and (ii), Schools and Libraries Corporation shall next allocate funds toward the requests for internal connections submitted by schools and libraries eligible for an 80 percent discount, then for a 70 percent discount, and shall continue committing funds for internal connections in the same manner to the applicants at each descending discount level until there are no funds remaining.

(iv) If the remaining funds are not sufficient to support all of the funding requests within a particular discount level, Schools and Libraries Corporation shall divide the total amount of remaining support available by the amount of support requested within the particular discount level to produce a pro-rata factor. Schools and Libraries Corporation shall reduce the support level for each applicant within the particular discount level, by multiplying each applicant's requested amount of support by the pro-rata factor.

(v) Schools and Libraries Corporation shall commit funds to all applicants consistent with the calculations described herein.

* * * * *

Federal Communications Commission.

**Magalie Roman Salas,**

*Secretary.*

[FR Doc. 98–22810 Filed 8–27–98; 8:45 am]

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