

any other pertinent information which he may possess.

(20 U.S.C. 445)

§ 142.25 Action on approved application.

(a) *Execution of note.* After the Commissioner approves an application for a loan, he will so notify the applicant and will require the execution of a promissory note, which will include a schedule of payments of the principal, with interest accruing on the unpaid principal of the loan to the dates of such payments. If the note is not executed by the last day of the fiscal year following the fiscal year in which the application was approved and promptly submitted to the Commissioner, the Commissioner may cancel the loan approval.

(b) *Payment to school.* Upon receipt of a duly executed note, the Commissioner will cause the loan funds to be paid by the U.S. Treasury to the applicant at the time loan funds will be needed.

(c) *Cancellation of loan approval.* If the applicant does not request the loan funds within a reasonable time after notification to the applicant of approval, the Commissioner may cancel approval of the loan.

(20 U.S.C. 445)

Subpart E—Loan Conditions

§ 142.35 Limitation on amount.

Each loan will be limited to the amount which may reasonably be expected to be expended without undue delay for the acquisition of equipment or for minor remodeling.

(20 U.S.C. 445)

§ 142.36 Assurance of repayment.

All loans will be made on the basis of such security or evidence of financial responsibility as will reasonably assure repayment.

(20 U.S.C. 445)

§ 142.37 Use of loan funds.

All loans will be subject to the condition that the funds borrowed will be used only for the acquisition of equipment, and for the performance of minor remodeling, substantially similar to the project described in the approved application.

(20 U.S.C. 445)

§ 142.38 Unused and unreported funds.

Loan funds that are not used by the last day of the fiscal year following the fiscal year in which the application was approved for the purposes set out in § 145.37, and loan funds used but not reported as required in § 142.44, shall immediately become due and payable, with interest accrued thereon unless the Commissioner extends the period upon the written request of the applicant. This paragraph shall not apply if the total amount not used for the acquisition of equipment, and for the performance of minor remodeling, and not reported does not exceed two percent of the amount lent or \$200, whichever is smaller.

(20 U.S.C. 445)

§ 142.39 Misused funds.

Loan funds that are used for purposes other than those provided for in § 142.1 shall immediately become due and payable, with interest accrued thereon.

(20 U.S.C. 445)

§ 142.40 Disposal or unauthorized use of equipment.

If during the period of the loan the applicant disposes of equipment or fails to use it primarily for the purposes authorized under the loan conditions, the regulations, or the Act, the balance of the loan shall, at the option of the Commissioner, become immediately due and payable, with interest accrued thereon. Any such unauthorized use and any such disposal shall be reported to the Commissioner.

(20 U.S.C. 445(2))

§ 142.41 Time of acquisition.

Loan funds shall not be used for the acquisition of equipment, or minor remodeling, for which firm commitments have been made prior to the time when the application is approved by the Commissioner.

(20 U.S.C. 445)

§ 142.42 Interest.

(a) *Determination of interest rate.* Loans will bear interest at the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of those loans as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result obtained to the nearest one-eighth of 1 per centum.

(b) *Effective interest rate.* The interest rate in effect at the time a loan is approved will remain in effect for the life of the loan.

(c) *Date of loan.* The date of the U.S. Treasury check paying the funds to the applicant will be the date of the loan and the date from which interest accrues.

(20 U.S.C. 445(3))

§ 142.43 Repayment.

(a) *Schedule of repayments.* Repayments of principal with accrued interest shall be made on those dates as may be agreed upon by the Commissioner and the applicant.

(b) *Date of maturity.* A loan may be made for any period of time except that the date of maturity shall be not more than ten years after the date on which the loan is made.

(c) *Prepayments.* Loans may be prepaid in full or in part at any time, with accrued interest to the date of payment, without penalty for prepayment.

(20 U.S.C. 445(4))

§ 142.44 Reports and records.

(a) *Reports.* Each applicant receiving a loan shall furnish a completion report upon completing the approved project,

and shall furnish such progress or other reports as the Commissioner may from time to time require regarding the use of loan funds. The completion report shall be submitted by the last day of the fiscal year following the fiscal year in which the application was approved unless the Commissioner extends the period upon the written request of the applicant.

(b) *Records.* Each applicant receiving a loan shall keep the loan in a separate bank account or maintain a separate accounting of all such funds sufficient readily to identify all transactions with the loan funds. Each applicant shall also maintain intact all records supporting the use of loan funds for three years after the loan has been repaid in full. Such records shall be made available to fiscal representatives of the Government for audit purposes.

(20 U.S.C. 1232c(b) (2), (3))

[FR Doc.75-3772 Filed 2-10-75;8:45 am]

Title 49—Transportation

CHAPTER I—DEPARTMENT OF TRANSPORTATION

SUBCHAPTER B—OFFICE OF PIPELINE SAFETY [Docket No. OPS-26; Amdt. 192-17]

PART 192—TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE: MINIMUM FEDERAL SAFETY STANDARDS

Qualification of Pipe Transported by Railroad

This amendment to § 192.65(a) and Appendix A to Part 192 (1) incorporates by reference the 1972 edition of the American Petroleum Institute document API RP5L1, entitled "API Recommended Practice for Railroad Transportation of Line Pipe," and (2) requires that in the case of certain pipe transported by railroad, the transportation be in accordance with the 1972 edition of API RP5L1, except that before February 25, 1975, the transportation may be in accordance with the 1967 edition. The 1967 edition of API RP5L1 is currently incorporated by reference in Part 192. Incorporation by reference of the 1967 edition is continued so as not to preclude the use of pipe transported in accordance with that edition before the effective date of this amendment.

Section 192.65 regulates the use of pipe in a pipeline to be operated at a hoop stress of 20 percent or more of specified minimum yield strength where the pipe has an outer diameter to wall thickness ratio of 70 to 1, or more, and the pipe is transported by railroad. This section, in conjunction with § 192.7 and Appendix A to Part 192, requires as a qualification for use of pipe transported after November 11, 1970, that it be transported in accordance with the 1967 edition of API RP5L1. The 1967 edition of API RP5L1 prohibits pipe overhang of more than 5 feet, or one-half the distance between intermediate bearing strips, whichever is larger. As a result, double-jointed pipe (80-foot lengths) transported after November 11, 1970, on 52-foot railroad flatcars may not be used

under the existing § 192.65 since the overhang on each end is about 14 feet. In contrast, the 1972 edition of API RP5L1 was developed especially to provide for the loading and transportation of double-jointed pipe on 52-foot railroad flatcars.

Incorporation by reference of the 1972 edition of API RP5L1 and adoption of related changes in § 192.65(a) were proposed in a notice of proposed rulemaking published on February 19, 1974 (39 FR 6126). Interested persons were afforded an opportunity to participate in the rule-making by submitting written information, views, or arguments. The comments received have been fully considered in developing the final rule.

All comments received were favorable to the proposed rule change. However, one commenter did suggest an additional rule change which was not proposed in the notice. The suggested change would qualify for use under § 192.65 all pipe which is tested in accordance with § 192.65(b), regardless of when the transportation is performed. Section 192.65(b) permits the use of pipe transported before November 12, 1970, if, as an alternative to meeting the transportation requirements of § 192.65(a), the pipe meets certain test requirements. The commenter argued that, in view of the soundness of the testing procedure, there is no reason to limit the applicability of § 192.65(b) to pipe transported before November 12, 1970. Although the Office of Pipeline Safety (OPS) considers the suggestion to go beyond the scope of the notice, OPS believes it merits discussion.

Section 192.65(b) was added to Part 192 by Amendment 192-12 (38 FR 4760, February 22, 1973) to preclude a substantial waste of stockpiled pipe. Before that amendment, many operators were unable to use pipe shipped prior to the effective date of Part 192 (November 12, 1970) because they could not verify that the pipe was transported in accordance with the 1967 edition of API RP5L1. To remedy the situation, § 192.65(b) was adopted as a "grandfather" clause to qualify for use about \$13 million worth of stockpiled pipe that had been transported by railroad before November 12, 1970.

The difficulty expressed by operators who were unable to verify shipment in accordance with API RP5L1 as to pipe already on hand or ordered before Part 192 became effective should not exist with regard to pipe transported after November 11, 1970. Operators were given sufficient notice and lead time to prepare for compliance with § 192.65 after that date. Therefore, OPS does not consider it appropriate to extend the applicability of § 192.65(b) to all pipe as the commenter suggested.

*Report of the Technical Pipeline Safety Standards Committee.* Section 4(b) of the Natural Gas Pipeline Safety Act of 1968 requires that all proposed standards and amendments to such standards be submitted to the Committee and that the Committee be afforded a reasonable opportunity to prepare a report on the "technical feasibility, rea-

sonableness, and practicability of each such proposal." This amendment to Part 192 was submitted to the Committee as Item 2 in a list of five proposed amendments. The Committee has made a favorable report which is set forth below. The Committee member who disagreed with the majority of the Committee on Item 2 did not submit a statement of his views.

JANUARY 17, 1975.

Memorandum to: The Secretary of Transportation. Attention: Joseph C. Caldwell, director, Office of Pipeline Safety.

From: Secretary, Technical Pipeline Safety Standards Committee.

Subject: Proposed changes to 49 CFR Part 192, minimum Federal safety standards for transportation of natural and other gases by pipeline.

The following letter and attachments represent an official report by the Technical Pipeline Safety Standards Committee concerning the Committee's action related to five proposed amendments to 49 CFR Part 192, Minimum Federal Safety Standards for Transportation of Natural and Other Gases by Pipeline.

The Committee reviewed the proposals of the Office of Pipeline Safety at a meeting, held in Washington, D.C., on October 30, and 31, 1974, and through an informal balloting procedure recommended certain modifications, some of which were acceptable to the Office of Pipeline Safety. A formal ballot, reflecting the suggested changes, was prepared and distributed to the Committee members, by the undersigned on December 5, 1974.

Formal ballots have been submitted by all fourteen members of the Committee. The majority of the Committee approved all five items on the ballot as being technically feasible, reasonable, and practicable. Negative votes were cast by one member against Items 1, 2, and 3, by two members against Item 4 and by four members against Item 5. Another member, who had been unable to attend the meeting and participate in the discussions, abstained from voting.

Attachment A sets forth the minority opinions submitted in support of the negative votes on Items 4 and 5.

LOUIS W. MENDONSA.

In view of the improved safety criteria provided by this amendment and the period reasonably necessary for compliance, I have determined that good cause exists for making this amendment effective in less than 30 days after issuance.

In consideration of the foregoing, Part 192 of Title 49 of the Code of Federal Regulations is amended as follows, effective February 25, 1975:

1. Section 192.65(a) is amended to read as follows:

**§ 192.65 Transportation of pipe.**

In a pipeline to be operated at a hoop stress of 20 percent or more of SMYS, an operator may not use pipe having an outer diameter to wall thickness ratio of 70 to 1, or more, that is transported by railroad unless—

(a) The transportation is performed in accordance with the 1972 edition of API RP5L1, except that before February 25, 1975, the transportation may be performed in accordance with the 1967 edition of API RP5L1.

2. In Section II.A of Appendix A to Part 192, item 4 is amended to read as follows:

APPENDIX A—INCORPORATED BY REFERENCE

II. Documents incorporated by reference.  
A. American Petroleum Institute:

4. API Recommended Practice 5L1 entered "API Recommended Practice for Railroad Transportation of Line Pipe" (1967 and 1972 editions).

This amendment is issued under the authority of section 3 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1672), § 1.58(d) of the regulations of the Office of the Secretary of Transportation (49 CFR 1.58(d)), and the redelegation of authority to the Director, Office of Pipeline Safety, set forth in Appendix A to Part 1 of the regulations of the Office of the Secretary of Transportation (49 CFR Part 1).

Issued in Washington, D.C., on February 6, 1975.

JOSEPH C. CALDWELL,  
Director,  
Office of Pipeline Safety.

[FR Doc.75-3792 Filed 2-10-75;8:45 am]

Title 14—Aeronautics and Space  
CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 13243; Reference Amdt. 36-4]

PART 36—NOISE STANDARDS: AIRCRAFT TYPE AND AIRWORTHINESS CERTIFICATION

Appendix F—Noise Requirements for Propeller Driven Small Airplanes  
Notice Test Data Conditions; Correction

The purpose of this document is to correct the language describing the conditions under which noise emission test data may be corrected under § F36.201 (a) by deleting the reference to testing at relative humidities higher than 90 percent as stated in the preamble to Amendment 36-4, which was issued on December 31, 1974, and published in the FEDERAL REGISTER on January 6, 1975 (40 FR 1029). An editorial correction is also made, to a speed symbol used in the acoustical change provisions of § 36.7(a) (2) (ii).

Notice 73-26, published in the FEDERAL REGISTER on October 10, 1973 (38 FR 23016), proposed the text of current § F36.201(a) providing for correction of test data under certain conditions, including when the relative humidity is above 90 percent. In the preamble to Amendment 36-4, the FAA responded to a comment that pointed out an apparent conflict between proposed § F36.101(b) (which prohibits all testing at relative humidities in excess of 90 percent) and § F36.201(a) (which, as proposed, implied that tests may be conducted with relative humidities above 90 percent, if data corrections are made). The preamble noted that the FAA did not intend to modify the strict testing prohibition when the relative humidity exceeded 90 percent by means of the data correction procedures and stated the intent to delete the words "above 90 percent or" from § F36.201(a) in the final rule. However,