compliance and will continue to comply with the requirements of Executive Order 11640, January 26, 1972, or (2) that he is a small business concern (as determined in accordance with the regulations of the Cost of Living Council in 6 CFR 101.51, 37 F.R. 8939, May 3, 1972) and as such is exempt from wage and price controls (except where health services or construction are involved).

(b) Prior to the payment of invoices under this contract, the contractor shall place on, or attach to, each invoice submitted one of the following certifications, as appropriate:

I hereby certify that the amounts involved herein do not exceed the lower of (1) the contract price or (2) maximum levels established in accordance with Executive Order 11640, January 26, 1972.

I hereby certify that I am a small business concern employing 60 or fewer employees (as determined in accordance with the regulation of the Cost of Living Council in 6 CFR 101.51, 37 F.R. 8939, May 3, 1972, and any subsequent amendments) and as such am exempt from wage and price controls by the Council's regulation.

(c) The contractor agrees to insert the substance of this clause, including this paragraph (c), in all subcontracts for supplies or services issued under this contract.

(b) The following price certification shall be included on all solicitations involving small purchases under $2,500 and on all purchase orders issued pursuant to small purchase procedures (Subpart 5A–3.6). When the solicitation is made by telephone, the offeror shall be advised of these requirements. Failure to comply with these requirements will result in rejection of the offer (for purchases made with imprest funds see § 5A–1.321–6).

PRICE CERTIFICATION (SMALL PURCHASES)

(a) By submission of this offer, offeror certifies (1) that he is in compliance and will continue to comply with the requirements of Executive Order 11640, January 26, 1972, or (2) that he is a small business concern, generally employing 60 or fewer employees (as determined in accordance with the regulations of the Cost of Living Council) and as such is exempt from wage and price controls.

(b) Prior to payment of invoices under this contract, the contractor shall place on, or attach to, each invoice submitted one of the following certifications, as appropriate:

I hereby certify that amounts invoiced herein do not exceed the lower of (1) the contract price or (2) maximum levels established in accordance with Executive Order 11640, January 26, 1972.

I hereby certify that I am a small business concern (as determined in accordance with the regulations of the Cost of Living Council) and as such am exempt from wage and price controls.

(c) Payments will not be made on invoices unless certification, as prescribed above, has been completed.

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c); 41 CFR 5–1.101(c))

Effective date. These regulations are effective on the date shown below.

Dated: September 19, 1972.

M. S. MEEKER,
Commissioner,
Federal Supply Service.

[FR Doc.72-16808 Filed 10-2-72;8:50 am]

Title 49—TRANSPORTATION

Chapter I—Department of Transportation

SUBCHAPTER B—OFFICE OF PIPELINE SAFETY

[Amdt. 192–8; Docket No. OPS–10]

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

Deactivation of Service Lines

This amendment of the Federal safety standards for gas pipelines will require certain steps to be taken in order to prevent the unauthorized introduction of gas into inactive pipeline facilities. This rule making involves a revision of § 192.727 of title 49 of the Code of Federal Regulations and the addition of a new § 192.379 to Part 192.

These amendments are in response to a clearly demonstrated need for positive regulatory action as indicated by two gas explosion incidents discussed in the notice proposing this rule making. The objective is to prevent unauthorized persons from activating gas service lines that have been deactivated or abandoned, or are not presently in use.

On June 4, 1971, a notice of proposed rule making was published in the FEDERAL REGISTER (OPS Notice 71–2, 36 F.R. 10885) proposing certain changes in the regulations designed to prevent the unauthorized introduction of gas into inactive service lines. Interested persons were afforded an opportunity to participate in the rule making by submitting written information, views, or arguments. The opinions and data presented in the comments that were subsequently received have been fully considered and are reflected in these final rules.

Several commenters correctly noted that one of the gas explosion accidents mentioned in the notice of proposed rule making involved newly installed yet inactive facilities rather than abandoned or deactivated pipeline facilities. They questioned whether the proposed regulations would cover such situations. As the intent of these amendments is to prevent the unauthorized introduction of gas into any pipeline not presently in service, whether abandoned, deactivated, or not yet activated, § 192.379 has been added to the Federal safety standards to make clear that new service lines must also meet the same requirements.

Proposed § 192.727(c) (now redesignated as § 192.727(d)), would have provided for the deactivation of customer service lines by two alternative methods. In response to a large number of recommendations, a third alternative method has been adopted which allows for the installation in the service line or meter assembly of a mechanical device or fitting that will prevent the flow of gas. This method is in common usage and has proven effective in terms of overall safety. Also in answer to many comments, the requirement for physical removal of customer meters on inactive service lines (proposed as § 192.727(d)), has been deleted. This is now believed to be an unnecessary measure when one of the alternatives prescribed by new paragraph (d) has been met.

Paragraphs (e) and (f) of the proposed amendment have not been changed.

A number of commenters expressed objection to proposed § 192.727(b), on the basis that it made necessary the disconnecting, purging, and sealing of properly maintained pipeline facilities that are not subject to gas pressure in the course of normal operations. There are instances when pipelines, such as bypasses, are commonly not subject to gas pressure, and a requirement that such pipelines be sealed off from any potential gas supply is not feasible. This paragraph has therefore been revised and a new paragraph (c) has been added to avoid this problem.

Paragraph (b) now establishes safety requirements for all pipelines, the use of which is to be permanently discontinued, that is, for all pipelines that are to be abandoned. Paragraph (c) contains deactivation requirements applying only to pipelines, other than service lines, which are not being maintained under the Federal safety standards. Thus, a pipeline not normally subject to gas pressure need not meet the requirements of this paragraph.

Section 4(a) of the Natural Gas Pipeline Safety Act requires that all proposed standards and amendments to such standards be submitted to the Technical Pipeline Safety Standards Committee and that the Committee be afforded a reasonable opportunity to prepare a report on the "technical feasibility, reasonableness, and practicability of each such proposal." This amendment to Part 192 has been submitted to the Committee and it has submitted a favorable report. The Committee's report and the proceedings of the Committee which led to that report are set forth in the public docket for this amendment which is available at the Office of Pipeline Safety.

In consideration of the foregoing, Part 192 of title 49 of the Code of Federal Regulations is amended as follows, effective November 3, 1972.

1. The table of sections for Part 192, Subpart H, is amended by adding the following new section heading after § 192.377:

Sec. 192.379 New service lines not in use.

2. The following new section is added after § 192.377 in Subpart H.

§ 192.379 New service lines not in use.

Each service line that is not placed in service upon completion of installation must comply with one of the following until the customer is supplied with gas:

(a) The valve that is closed to prevent the flow of gas to the customer must be

provided with a locking device or other means designed to prevent the opening of the valve by persons other than those authorized by the operator.

(b) A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly.

(c) The customer's piping must be physically disconnected from the gas supply and the open pipe ends sealed.

3. Section 192.727 is amended to read as follows:

§ 192.727 Abandonment or inactivation of facilities.

(a) Each operator shall provide in its operating and maintenance plan for abandonment or deactivation of pipelines, including provisions for meeting each of the requirements of this section.

(b) Each pipeline abandoned in place must be disconnected from all sources and supplies of gas, purged of gas, and the ends sealed. However, the pipeline need not be purged when the volume of gas is so small that there is no potential hazard.

(c) Except for service lines, each inactive pipeline that is not being maintained under this part must be disconnected from all sources and supplies of gas, purged gas, and the ends sealed. However, the pipeline need not be purged when the volume of gas is so small that there is no potential hazard.

(d) Whenever service to a customer is discontinued, one of the following must be complied with:

(1) The valve that is closed to prevent the flow of gas to the customer must be provided with a locking device or other means designed to prevent the opening of the valve by persons other than those authorized by the operator.

(2) A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly.

(3) The customer's piping must be physically disconnected from the gas supply and the open pipe ends sealed.

(e) If air is used for purging, the operator shall insure that a combustible mixture is not present after purging.

(f) Each abandoned vault must be filled with a suitable compacted material.

(Sec. 3, Natural Gas Pipeline Safety Act of 1968, 49 U.S.C. 1672; Sec. 1.58(d), regulations of the Office of the Secretary of Transportation, 49 CFR 1.58(d); Redelegation of authority to the Director, Office of Pipeline Safety, 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 September 27, 1972.

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

[FR Doc.72-16815 Filed 10-2-72;8:52 am]

Chapter V—National Highway Traffic Safety Administration, Department of Transportation

[Docket No. 69-18; Notice 11]

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

Lamps, Reflective Devices, and Associated Equipment; Revocation

This notice amends 49 CFR Part 571, by revoking § 571.108a, Motor Vehicle Safety Standard No. 108a, *Lamps, reflective devices, and associated equipment* and deleting a conforming amendment to Standard No. 108, in accordance with a decision of the U.S. Court of Appeals.

Standard No. 108a was established on December 2, 1971 (36 F.R. 22909), to clarify requirements for turn signal and hazard warning signal flashers effective January 1, 1973. These requirements were established by an amendment published on August 28, 1971 (36 F.R. 13743). The amendment deleted sampling and failure rate provisions from the tests for these items of motor vehicle equipment, and modified the performance requirements.

Pursuant to section 105(a)(1), of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1394(a)(1)), Wagner Electric Corp. petitioned for review of the August 28, 1971 order in the U.S. Court of Appeals for the Third Circuit. On August 29, 1972, the court granted the petition, set aside the order and remanded the matter to the National Highway Traffic Safety Administration for new rulemaking proceedings consistent with the court's views. (Wagner Electric Corp. v. Volpe, No. 71-1976 (3d Cir. 1972).)

By this notice, the NHTSA deletes from the Code of Federal Regulations the amendment set aside by the court's order. The deleted provision essentially constituted the version of the standard that was to become effective January 1, 1973 (Standard No. 108a) along with paragraph S4.1.1.16 of Standard No. 108, which allowed manufacturers to conform to the new requirements before that date.

In consideration of the foregoing, 49 CFR Part 571 is amended as follows:

§ 571.108 [Amended]

1. In § 571.108, *Motor Vehicle Safety Standard No. 108,* paragraph S4.1.1.16 is deleted, and in S4.1.1 the reference thereto is changed to "S4.1.1.15."

§ 571.108a [Deleted]

2. Section 571.108a, *Motor Vehicle Safety Standard No. 108a,* is deleted.

Effective date. This notice reflects the order of the U.S. Court of Appeals for the Third Circuit, whose mandate was issued September 19, 1972, and is effective as of that date.

(Secs. 103, 119, National Traffic and Motor Vehicle Safety Act of 1966, 15 U.S.C. 1392, 1407; Delegation of authority, 49 CFR 1.51)

Issued on September 28, 1972.

DOUGLAS W. TOMS,
Administrator.

[FR Doc.72-16853 Filed 10-2-72;8:55 am]

Chapter X—Interstate Commerce Commission

SUBCHAPTER C—ACCOUNTS, RECORDS AND REPORTS

[No. 34178 (Sub-No. 1)]

ACCOUNTING FOR FEDERAL INCOME TAXES AND INVESTMENT TAX CREDIT

At a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D.C., on the 21st day of August 1972.

The Revenue Act of 1971, Public Law 92-178, provides for restoration of the investment tax credit under section 38 of the Internal Revenue Code of 1954, as amended. Section 101(c)(1)(A) of the Act states:

(A) No taxpayer shall be required to use, for purposes of financial reports subject to the jurisdiction of any Federal agency or reports made to any Federal agency, any particular method of accounting for the credit allowed by such section 38,

The Treasury Department has stated that only two methods of accounting for the investment credit under the "Revenue Act of 1971" are acceptable.

1. In the "flow-through" method, the amount of the investment credit for the year is reflected as a reduction of tax liability for that year.

2. In the "deferral" method, the amount of the credit is reflected as a reduction of tax liability ratably over the period during which the asset is depreciated on the books of the business.

For regulatory purposes, the Commission, by notice issued February 9, 1959 (24 F.R. 1401), ruled that all carriers under its jurisdiction would account for Federal income taxes by the "flow-through" method. Upon introduction of the investment tax credit in 1962, as provided in section 38 of the Internal Revenue Code, the Commission found that the credit was an integral part of the Federal income tax liability computation. By notice issued December 17, 1962 (27 F.R. 12778), it ruled that the credit should also be accounted for by the "flowthrough" method. The Commission affirmed the findings in the notices by order dated February 1, 1963, under Docket No. 34178. Accordingly, all carriers' financial statements included in reports to the Commission are required to reflect the credit on the "flow-through" method.