3. UtiliCorp United Inc., Missouri Public Service, WestPlains Energy-Kansas, and WestPlains Energy-Colorado

[Docket No. ER99–203–000]

Take notice that on December 29, 1998, UtiliCorp United Inc., on behalf of itself and its operating divisions Missouri Public Service, WestPlains Energy-Kansas, and WestPlains Energy-Colorado, tendered its compliance filing in this docket.

Comment date: January 19, 1999, in accordance with Standard Paragraph E at the end of this notice.

4. Entergy Services, Inc., Clarksdale Public Utilities Commission v. Entergy Services, Inc.

[Docket No. ER99–218–001, EL98–72–000, and EL98–73–000]

Take notice that on December 28, 1998, Entergy Services, Inc. (Entergy Services), on behalf of Entergy Arkansas, Inc., Entergy Gulf States, Inc., Entergy Louisiana, Inc., Entergy Mississippi, Inc., and Entergy New Orleans, Inc. (collectively, the Entergy Operating Companies), tendered for filing a Power and Energy Agreement between Entergy Services, as agent for the Entergy Operating Companies, and Municipal Energy Agency of Mississippi, for the sale of power under Entergy Services' Rate Schedule SP. The Agreement was submitted in compliance with the Commission's order in Clarksdale Public Utilities Commission v. Entergy Services, Inc., 85 FERC ¶ 61,268 (1998).

Comment date: January 19, 1999, in accordance with Standard Paragraph E at the end of this notice.

5. New York State Electric & Gas Corporation

[Docket No. ER99–221–001]

Take notice that on December 29, 1998, New York State Electric & Gas (NYSEG) tendered for filing with the Federal Energy Regulatory Commission NYSEG's Code of Conduct in compliance with Commission's December 14, 1998 Order in this Docket.

Notice of said filing has been served upon the New York State Public Service Commission.

Comment date: January 19, 1999, in accordance with Standard Paragraph E at the end of this notice.

6. Consolidated Edison Company of New York

[Docket No. ER99–1066–000]

Take notice that on December 29, 1998, Consolidated Edison Company of New York (Con Edison or the Company) filed a service agreement with West Penn Power d/b/a/ Allegheny Energy (AE), for the provision of non-firm electric transmission service pursuant to Con Edison's Open Access Transmission Tariff dated December 2, 1998.

A copy of this Service Agreement has been served on Allegheny Energy.

Comment date: January 19, 1999, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraphs

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's rules of practice and procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of these filings are on file with the Commission and are available for public inspection.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 99–625 Filed 1–11–99; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6217–9]

Drinking Water State Revolving Fund (DWSRF) Program Policy Announcement: Eligibility of Reimbursement of Incurred Costs for Approved Projects

AGENCY: Environmental Protection Agency.

ACTION: Notice.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is issuing a policy decision for the Drinking Water State Revolving Fund (DWSRF) program that will allow States to reimburse construction costs incurred by a public water system prior to execution of a loan agreement under specific conditions. The Agency published the proposed policy in the **Federal Register** on June 12, 1998 to seek public comment. Comments received during the comment period and in a stakeholder meeting held on July 13, 1998 were considered in developing the final policy.

BACKGROUND: The Safe Drinking Water Act (SDWA), as amended in 1996, established a DWSRF program to provide grants to States which, in turn, use the funds to provide loans to public water systems for infrastructure improvements. States are responsible for developing a priority system that identifies how projects will be ranked for funding and a comprehensive list of projects, in priority order, that are eligible for funding. States must also identify which projects on this comprehensive list will get funding within the current year, either by developing a separate fundable list or noting those projects on the comprehensive list. Both privately-owned and publicly-owned systems are eligible for funding. The Act also contains a provision which allows State DWSRF programs to provide loans to publicly-owned systems to refinance eligible projects. Specifically, section 1452(f)(2) allows States ''to buy or refinance the debt obligation of a municipality, intermunicipal or interstate agency within the State * * * in any case in which a debt obligation is incurred after July 1, 1993.'' The eligibility for refinancing does not extend to privately- owned systems.

A number of States expressed concern that a strict interpretation of this refinance provision could delay construction of projects associated with privately-owned systems that are on the priority list for funding and are needed to solve public health problems. In some States, particularly those that leverage capitalization grants to generate more funds for projects, loan agreements with applicants are finalized at specific time periods during the year to coincide with financing. These States often make ''bridge'' loans to fund activities prior to execution of the formal loan agreement which occurs after the State has completed financing. Other States face challenges related to the seasonal nature of construction schedules. States wanted to have the flexibility to notify eligible privately and publicly-owned systems that they will receive funding from the State and then reimburse the systems for costs incurred in the time period between the notification and execution of the loan agreement. This flexibility would encourage systems to move ahead with construction in order to, for example, take advantage of seasonal construction cycles.

EPA does not believe that the intention of section 1452(f)(2) was to preclude funding of eligible costs in these situations. Projects which have been identified for funding on the priority list and that receive notification from the State should be able to move

ahead with construction and have these short-term construction costs included in the DWSRF loan under certain conditions.

In its June 12, 1998 **Federal Register** document, the EPA proposed that any project that has been given approval, authorization to proceed, or any similar action by the State prior to the actual project construction could be eligible for reimbursement of construction expenses incurred after such State action, provided that the project met all of the requirements of the DWSRF program. Such a project would have to be on the State's fundable list, developed using a priority system approved by EPA. A project on the comprehensive list which could be funded when a project on the fundable list was bypassed using the State's bypass procedures could also be eligible for reimbursement of costs incurred after the system had been informed that it would receive funding. These requirements would apply regardless of whether the system financed costs using a short-term debt instrument or internal capital.

The proposal further noted that projects receiving reimbursement of incurred costs would be subject to all other Federal requirements required of a recipient of Federal funds, including an environmental review which must consider the impacts of the project based on the pre-construction site conditions. A failure to comply with the State's environmental review process could not be justified on the grounds that costs had already been incurred, environmental impacts had already been caused, or contractual obligations had been made prior to the binding commitment.

Finally, the proposal solicited comment on whether a privately-owned system that had been constructed without meeting the above listed criteria could get refinanced from the DWSRF if it used internal capital instead of a debt obligation. The proposal suggested that internal capital be treated the same as a debt obligation in these situations.

Comments

Comments were received from 20 parties, all but one of whom supported the policy of reimbursing systems that initiate construction after being notified of the State's intent to fund the project. Most of the concern about the policy was directed at two aspects of the proposal. The first concerned viewing internal capital used by a system to complete construction, without having first met the criteria for reimbursement, as equivalent to a debt obligation. Seven commentors indicated that internal capital should not be viewed as equivalent to debt—that if a system uses its own funds, it should be allowed to apply for a loan to cover those costs. The second was whether to allow reimbursement of planning and design costs that occurred prior to the system's receiving notification to proceed. Eleven commentors indicated that planning and design should be treated in the same manner as it is for other loans. They noted that if EPA were to determine that planning and design costs were only eligible after a system had received notification from the State that it would receive funds, it would make it more difficult for privately-owned systems to get on the priority list in States which require planning and design to be completed before the project can even be placed on the fundable list. This would also be inconsistent with the Clean Water SRF policy that includes costs incurred for planning and design in the project loan, regardless of when planning and design occurred. The commentors recommended that reimbursement include construction costs and prebuilding costs, which include planning and design.

A few commentors recommended that EPA extend the time frame over which costs could be reimbursed to include the time period during which the SDWA Amendments were in development, to July 1, 1993 (target date for refinancing publicly-owned systems), or to the date that a State passed legislation authorizing its program. A few State representatives asked for flexibility in defining what constitutes authorization to proceed and noted that in some States, the requirement that a project be on a fundable list before costs can be reimbursed would be too late in that State's process.

Response to Comments

EPA recognizes that excluding eligibility of planning and design costs could be problematic for systems and for States. Disallowing these costs for reimbursed projects would imply that prebuilding costs incurred by privately-owned systems when preparing to apply for a loan could not be recouped. Additionally, it is more consistent with the Clean Water SRF and the DWSRF for publicly-owned systems to consider these costs eligible.

Concerning the issue of whether internal capital should be viewed the same as a debt obligation, EPA believes that there is no substantive difference between internal capital and a debt obligation when a system requests a DWSRF loan to fund a project that it has completed. EPA further believes that congressional intent and the statute restricts the use of DWSRF funds for refinancing to projects that were completed by publicly-owned systems and that the only exception to this is the short-term reimbursement of costs to allow systems that are in line to receive funds to begin construction as soon as possible. EPA, therefore, does not support extending the time frame from which privately-owned systems could be eligible for reimbursement.

In developing the proposal, the Agency recognized that States differ somewhat in their procedures for notifying applicants that they will receive a loan and has proposed language that allows considerable flexibility.

Final Policy

The refinancing of project costs associated with a privately-owned system is an ineligible activity under the DWSRF program, regardless of the source of financing used to complete a project.

A project (for a privately-or publicly-owned system) that has been given approval, authorization to proceed, or any similar action by the State prior to initiation of construction will be eligible for reimbursement for construction costs incurred after such State action, provided that the project meets all of the requirements of the DWSRF program and the following criteria. Such a project must be on the State's fundable list, developed using a priority system approved by EPA. A project on the comprehensive list which is funded when a project on the fundable list is bypassed using the State's bypass procedures may also be eligible for reimbursement of costs incurred after the system has been informed that it will receive funding. Prebuilding costs, such as planning and design, are also eligible when a system receives a loan for construction. Systems may receive reimbursement regardless of the method used to finance the short-term construction costs. Internal capital and debt obligations will be viewed as equivalent for the purposes of this policy.

Projects receiving reimbursement of incurred costs are subject to all other Federal requirements required of a recipient of Federal funds, including an environmental review which must consider the impacts of the project based on the pre-construction site conditions. Failure to comply with the State's environmental review process cannot be justified on the grounds that costs have already been incurred, environmental impacts have already been caused, or contractual obligations

have been made prior to the binding commitment.

FOR FURTHER INFORMATION CONTACT: The Safe Drinking Water Act Hotline, telephone (800) 426–4791. Information about the DWSRF program, including program guidelines and State contact information, is available from the EPA Office of Ground Water and Drinking Water Web Site at the URL address ''http://www.epa.gov/safewater.''

Dated: December 28, 1998.

Cynthia C. Dougherty,

Director, Office of Ground Water and Drinking Water.

[FR Doc. 99–665 Filed 1–11–99; 8:45 am]

BILLING CODE 6560–50–U

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6217–5]

Notice of Proposed Purchaser Agreement Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as Amended by the Superfund Amendments and Reauthorization Act

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice; request for public comment.

SUMMARY: In accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (''CERCLA''), 42 U.S.C. 9601–9675, notice is hereby given that a proposed purchaser agreement (''Purchaser Agreement'') associated with the O'Brien Machinery Superfund Site, Downingtown, Chester County, Pennsylvania was executed by the Environmental Protection Agency and the Department of Justice and is now subject to public comment, after which the United States may modify or withdraw its consent if comments received disclose facts or considerations which indicate that the Purchaser Agreement is inappropriate, improper, or inadequate. The Purchaser Agreement would resolve certain potential EPA claims under section 107 of CERCLA, 42 U.S.C. 9607, against Serena, Inc. (''Purchaser''). The settlement would require the Purchaser to, among other things, (1) perform the response action set forth in the Scope of Work attached as Exhibit 3 to the Purchaser Agreement, (2) perform the following property revitalization activities: conduct a controlled demolition of existing structures at the Site; remove the debris; and redevelop the property for residential housing.

For thirty (30) days following the date of publication of this document, the Agency will receive written comments relating to the Purchaser Agreement. The Agency's response to any comments received will be available for public inspection at the U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, PA 19103.

DATES: Comments must be submitted on or before February 11, 1999.

AVAILABILITY: The Purchaser Agreement and additional background information relating to the Purchaser Agreement are available for public inspection at the U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, PA 19103. A copy of the Purchaser Agreement may be obtained from Thomas A. Cinti (3RC42), Assistant Regional Counsel, U.S. Environmental Protection Agency, 1650 Arch Street, Philadelphia, PA 19103.

Comments should reference the ''O'Brien Machinery Superfund Site, Prospective Purchaser Agreement'' and ''EPA Docket No. III–98–073–DC,'' and should be forwarded to Thomas A. Cinti at the above address.

FOR FURTHER INFORMATION CONTACT: Thomas A. Cinti (3RC42), Assistant Regional Counsel, U.S. Environmental Protection Agency, 1650 Arch Street, Philadelphia, PA 19103, Phone: (215) 814–2634.

Dated: January 4, 1999.

W. Michael McCabe,

Regional Administrator, Region III.

[FR Doc. 99–556 Filed 1–11–99; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than February 5, 1999.

A. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. BOK Financial Corporation, and BOK Merger Corporation Number Seven, both of Tulsa, Oklahoma; to acquire 100 percent of the voting shares of First Bancshares of Muskogee, Inc., Muskogee, Oklahoma, and thereby indirectly acquire First National Bank and Trust Company of Muskogee, Muskogee, Oklahoma. BOK Merger Corporation Number Seven also has applied to become a bank holding company.

Applicant also has applied to acquire First Muskogee Insurance Corporation, Muskogee, Oklahoma, and thereby engage in credit-related insurance activities, pursuant to § 225.28(b)(11) of Regulation Y.

2. J.R. Montgomery Bancorporation, Lawton, Oklahoma; to acquire 1.0 percent, for a total of 38.3 percent, of the voting shares of The Fort Sill National Bank, Fort Sill, Oklahoma.

Board of Governors of the Federal Reserve System, January 6, 1999.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 99–567 Filed 1–11–99; 8:45 am]

BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Board of Governors of the Federal Reserve System.

TIME AND DATE: 11:00 a.m., Tuesday, January 19, 1999.

PLACE: Marriner S. Eccles Federal Reserve Board Building, 20th and C Streets, N.W., Washington, D.C. 20551.