

less than first-class accommodations would (i) require circuitous routing, (ii) require travel during unreasonable hours, (iii) greatly increase the duration of the flight, (iv) result in additional costs which would offset the transportation savings, or (v) offer accommodations which are not reasonably adequate for the medical needs of the traveler.

d. Necessary and reasonable costs of family movements and personnel movements of a special or mass nature are allowable, pursuant to paragraphs 41 and 42, subject to allocation on the basis of work or time period benefited when appropriate. Advance agreements are particularly important.

e. Direct charges for foreign travel costs are allowable only when the travel has received prior approval of the awarding agency. Each separate foreign trip must be approved. For purposes of this provision, foreign travel is defined as any travel outside of Canada and the United States and its territories and possessions. However, for an organization located in foreign countries, the term "foreign travel" means travel outside that country.

Circular No. A-122

Attachment C—Non-Profit Organizations Not Subject to This Circular

Aerospace Corporation, El Segundo, California
 Argonne Universities Association, Chicago, Illinois
 Associated Universities, Incorporated, Washington, D.C.
 Associated Universities for Research and Astronomy, Tucson, Arizona
 Atomic Casualty Commission, Washington, D.C.
 Battelle Memorial Institute, Headquartered in Columbus, Ohio
 Brookhaven National Laboratory, Upton, New York
 Center for Energy and Environmental Research (CEER), (University of Puerto Rico), Commonwealth of Puerto Rico
 Charles Stark Draper Laboratory, Incorporated, Cambridge, Massachusetts
 Comparative Animal Research Laboratory (CARL), (University of Tennessee), Oak Ridge, Tennessee
 Environmental Institute of Michigan, Ann Arbor, Michigan
 Hanford Environmental Health Foundation, Richland, Washington
 IIT Research Institute, Chicago, Illinois
 Institute for Defense Analysis, Arlington, Virginia
 Institute of Gas Technology, Chicago, Illinois

Midwest Research Institute, Headquartered in Kansas City, Missouri
 Mitre Corporation, Bedford, Massachusetts
 Montana Energy Research and Development Institute, Inc. (MERDI), Butte, Montana
 National Radiological Astronomy Observatory, Green Bank, West Virginia
 Oak Ridge Associated Universities, Oak Ridge, Tennessee
 Project Management Corporation, Oak Ridge, Tennessee
 Rand Corporation, Santa Monica, California
 Research Triangle Institute, Research Triangle Park, North Carolina
 Riverside Research Institute, New York, New York
 Sandia Corporation, Albuquerque, New Mexico
 Southern Research Institute, Birmingham, Alabama
 Southwest Research Institute, San Antonio, Texas
 SRI International, Menlo Park, California
 Syracuse Research Corporation, Syracuse, New York
 Universities Research Association, Incorporated (National Acceleration Lab), Argonne, Illinois
 Universities Corporation for Atmospheric Research, Boulder, Colorado
 Non-profit insurance companies, such as Blue Cross and Blue Shield Organizations
 Other non-profit organizations as negotiated with awarding agencies

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POSTAL RATE COMMISSION

[Docket No. MC97-2]

Parcel Classification Reform; Notice of Withdrawal of Request by United States Postal Service and Order Granting Motion to Close Docket

May 9, 1997.

On April 14, 1997, the United States Postal Service filed a pleading announcing the withdrawal of its Request in this proceeding and moving that the Commission close this docket. Notice of United States Postal Service of Withdrawal of Request for a Recommended Decision and Motion to Close Docket, April 14, 1997. In its pleading, the Postal Service states that it is currently engaged in evaluating its financial situation, as well as existing schedules of all postal rates and fees,

and that this review may lead to an omnibus request for changes in rates and fees pursuant to 39 U.S.C. § 3622. According to the Service, such a request would include the subclasses for which it proposed mail classification and other changes in this proceeding, and these latter proposals "would be considered for inclusion in such a request." Id. at 1, n.1.

The Postal Service claims that the current review of its financial status and existing rate and fee schedules has four consequences. First, it says the review has required an allocation of significant time and resources, many of which "are unique and would be required for both litigation of the current case and preparation and litigation of a general rate case." Id. at 1. Second, the Service has found that developing comprehensive proposals "requires reliance on projections and assumptions that in some respects overtake the bases of its proposals in the instant proceeding." Id. at 1-2.¹ Third, should the Governors decide to submit an omnibus rate request in the near future, the Service notes that simultaneous litigation of a rate case and the current case might present a burden for mailers, other participants, and perhaps the Commission. Finally, the Service argues that the successive implementation of rate and fee changes resulting from decisions in this case and a rate proceeding could prove to be unduly disruptive to mailers and to the Postal Service. Id. at 2.

In light of all these considerations, the Postal Service states that it "has concluded that it cannot continue to participate in the instant docket in light of its efforts to develop appropriate options for the Board's consideration with respect to a general rate case." Ibid. Accordingly, the Service notes that the Board of Governors has authorized it to withdraw its Request in this docket, and gives notice of such withdrawal, as well as its cessation from participation in the case as of April 14, 1997.

No participant has opposed the Postal Service's motion to terminate this docket in light of the withdrawal of its Request.² However, in a response filed

¹ The Service also claims that efforts by some parties to expand the scope of the instant proceeding, if successful, would require allocation of additional resources and increase the possibility of differences between its initial request here and proposals currently undergoing review.

² On April 23, the Commission received in this docket a pleading captioned, "Joint Motion of Advertising Mail Marketing Association, Association of American Publishers and the Direct Marketing Association for Bound Printed Matter." The movants do not oppose the Postal Service's motion to terminate this proceeding, nor request that the Commission keep the docket open for a

on April 24, the Office of the Consumer Advocate argues that discovery in this proceeding had been hampered by certain practices of the Postal Service; that the Service has relied on flawed legal premises regarding appropriate use of Motions to Excuse from Answering; that the Commission should make greater use of its authority to suspend proceedings when the Postal Service fails to comply with discovery requests; and that the Commission should consider initiating a rulemaking proceeding to address problems with the discovery process. Response of the Office of the Consumer Advocate to the Notice of Withdrawal of Request for a Recommended Decision and Motion to Close Docket Pursuant to Presiding Officer's Ruling No. MC97-2/7, April 24, 1997. OCA claims that the difficulties it cites "have occurred in many, if not all, ratemaking and classification proceedings in recent memory[.]" and therefore recommends that the Commission take a "fresh look" at its discovery process, perhaps culminating in a rulemaking proceeding. *Id.* at 22.

The Commission shall grant the Postal Service's motion to terminate this proceeding. In view of postal management's determination to discontinue its efforts in support of the proposals pending before the Commission in this docket—an action which the Board of Governors has specifically authorized—continuing these proceedings would appear to serve no practical purpose.

However, while this docket will be closed, the Commission strongly encourages the Postal Service to supply the Commission and participants with as much material responsive to outstanding Presiding Officer's Information Requests and discovery requests as is feasible at this time. Both the Commission and the participants have invested considerable efforts in exploring the factual bases of the Service's mail classification and rate proposals in this case.³ To the extent

limited purpose. Instead, they request "that the Commission exercise its powers pursuant to 39 U.S.C. § 3623(b) and, on its own motion, initiate a proceeding to consider whether the maximum weight limitation * * * imposed upon mail otherwise eligible for bound printed matter should be increased to 15 pounds, as the Postal Service has proposed in this proceeding." *Id.* at 1. Because the Joint Motion is intended, by its own terms, as a petition for the Commission's initiation of a special-purpose mail classification change proceeding *sua sponte*, it will be considered independently, rather than ruled upon as a pending motion in this docket.

³ OCA's response, *supra*, is indicative of the zealous, but sometimes unavailing, discovery efforts of some participants in this proceeding. In light of the current posture of the case, there is no opportunity to resolve the discovery-related issues

that the Service had undertaken to prepare responses to these discovery efforts prior to the determination to withdraw the Request, failure to produce them would appear wasteful, especially if the same proposals are to likely to be re-litigated in an omnibus rate case or other subsequent proceeding. Consequently, while proceedings will be terminated formally by this order, the Commission urges the Postal Service to provide responses to discovery requests or to outstanding Presiding Officer's Information Requests it might be able to prepare conveniently, in order to avoid needless duplication of effort by the Commission and participants in a putative later proceeding.

The Commission does not believe that terminating proceedings at this time will result in prejudice to the due process rights of any participant. The Complainant in Docket No. C97-1, who moved to hold that proceeding in abeyance pending consideration of the Postal Service's proposed changes in parcel pricing in this case, has resumed prosecution of its Complaint in that docket, and the Commission has granted its request to convene an informal conference to discuss the possibility of settlement. Order No. 1170, Order Granting Request To Schedule Informal Conference, April 18, 1997.⁴ Additionally, as noted earlier, the Commission will consider the joint motion to initiate a new proceeding to consider one proposed mail classification change in the Postal Service's Request—and any other similar motions—independently of this docket.

It is ordered:

1. The Motion of the United States Postal Service to Close Docket No. MC97-2 is granted.
2. In view of the termination of these proceedings, all pending motions in Docket No. MC97-2 are rendered moot.
3. The Secretary shall cause this Notice and Order to be published in the **Federal Register**.

raised by OCA. However, the Commission will continue to bear these considerations in mind in adapting its rules to discovery practice in future proceedings.

⁴ The informal conference was held on May 1, 1997. According to a status report subsequently filed by the Postal Service, the consensus of those attending the conference was that there are sufficient grounds for exploring the possibility of settlement, and to that end parties are now engaged in a joint effort to draft a settlement agreement. Status Report Pursuant to Order No. 1170, May 7, 1997.

By the Commission.

Margaret P. Crenshaw,
Secretary.

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POSTAL SERVICE

Sunshine Act Meeting; Notification of Item Added to Meeting Agenda

DATE OF MEETING: May 5, 1997.

STATUS: Closed.

PREVIOUS ANNOUNCEMENT: 62 FR 20227, April 25, 1997.

CHANGE: At its meeting on May 5, 1997, the Board of Governors of the United States Postal Service voted unanimously to add an item to the agenda of its closed meeting held on that date: Consideration of the Report of the Capital Projects Committee on the Tray Management System.

CONTACT PERSON FOR MORE INFORMATION: Thomas J. Koerber, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, SW., Washington, DC 20260-1000. Telephone (202) 268-4800.

Thomas J. Koerber,
Secretary.

[FR Doc. 97-12806 Filed 5-12-97; 3:27 pm]

BILLING CODE 7710-12-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-22656; 813-150]

The BSC Employee Fund, L.P. and BSCGP Inc.; Notice of Application

May 7, 1997.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption under the Investment Company Act of 1940 (the "Act").

APPLICANTS: The BSC Employee Fund, L.P. (the "Partnership") and BSCGP Inc. (the "General Partner").

RELEVANT ACT SECTIONS: Order under section 6(b) of the Act for an exemption from all provisions of the Act except sections 7, 8(a), 9, 17 (except for certain provisions of sections 17(a), (d), (f), (g), and (j) as described herein), and 36 through 53, and the rules and regulations thereunder.

SUMMARY OF APPLICATION: Applicants request an order to permit the Partnership, and other partnerships offered to the same class of investors (the "Subsequent Partnerships") (together with the Partnership, the "Partnerships"), to engage in certain