

## NUCLEAR REGULATORY COMMISSION

[Docket No. 50-255]

### Nuclear Management Company, LLC, Palisades Plant; Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an amendment to Facility Operating License No. DPR-20, issued to Nuclear Management Company, LLC (the licensee), for operation of the Palisades Plant, located in Van Buren County, Michigan. Therefore, as required by Title 10 of the Code of Federal Regulations (10 CFR), Section 51.21, the NRC is issuing this environmental assessment and finding of no significant impact.

#### Environmental Assessment

##### Identification of the Proposed Action

The proposed action would give approval to the licensee to update the Final Safety Analysis Report (FSAR) to reflect a change in the licensing basis for the handling of heavy loads using the L-3 crane main hoist. Specifically, the proposed changes would credit the L-3 crane as a single-failure-proof design, meeting the guidelines of NUREG-0612, "Control of Heavy Loads at Nuclear Power Plants" and NUREG-0554, "Single-Failure-Proof Cranes for Nuclear Power Plants," and the amendment would also approve use of the L-3 crane for below-the-hook loads up to 110 tons.

The proposed action is in accordance with the licensee's application dated January 29, 2004, as supplemented by letters dated May 14, and June 2, 2004.

##### The Need for the Proposed Action

The proposed action is needed to allow the licensee to increase the rated capacity of the spent fuel pool crane and incorporate a single-failure-proof design. Upgrading the crane is necessary to allow the loading of a new dry fuel storage cask.

##### Environmental Impacts of the Proposed Action

The NRC has completed its safety evaluation of the proposed action and concludes that: (1) There is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner; (2) such activities will be conducted in compliance with the Commission's regulations; and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public. The

details of the staff's safety evaluation will be provided in the license amendment that will be issued as part of the letter to the licensee approving the license amendment.

The proposed action will not significantly increase the probability or consequences of accidents. No changes are being made in the types of effluents that may be released off site and there is no significant increase in the amount of any effluent released offsite. There is no significant increase in occupational or public radiation exposure. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does not have a potential to affect any historic sites. It does not affect nonradiological plant effluents, and it has no other environmental impact. Therefore, there are no significant nonradiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

##### Environmental Impacts of the Alternatives to the Proposed Action

As an alternative to the proposed action, the staff considered denial of the proposed action (*i.e.*, the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

##### Alternative Use of Resources

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for the Palisades Plant, dated February 1978.

##### Agencies and Persons Consulted

On June 9, 2004, the staff consulted with the Michigan State official, Mary Ann Elzerman, of the Michigan Department of Environmental Quality, regarding the environmental impact of the proposed action. The State official had no comments.

##### Finding of No Significant Impact

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated January 29, 2004, as supplemented on May 14 and June 2, 2004. Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

Dated at Rockville, Maryland, this 9th day of June 2004.

For the Nuclear Regulatory Commission.

**John F. Stang,**

*Sr. Project Manager, Section 1, Project Directorate III, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 04-13524 Filed 6-15-04; 8:45 am]

BILLING CODE 7590-01-P

## POSTAL RATE COMMISSION

[Docket No. MC2004-2; Order No. 1408]

### Experimental Priority Mail Flat-Rate Box

**AGENCY:** Postal Rate Commission.

**ACTION:** Notice and order on new experimental docket.

**SUMMARY:** This document establishes a formal docket for consideration of a proposed two-year experiment testing the feasibility of two new Priority Mail packaging options. Both options are priced at a flat rate of \$7.70. The shape of one package makes it suitable for mailing garments; the shape of other accommodates shoes. Conducting the experiment would allow the Service to collect data and information on customer response and related matters, and thereby determine whether it should seek to establish these products as permanent offerings.

**DATES:** See **SUPPLEMENTARY INFORMATION** for dates.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>.

**FOR FURTHER INFORMATION CONTACT:**  
Stephen L. Sharfman, general counsel,  
at 202-789-6818.

**SUPPLEMENTARY INFORMATION:**

**I. Introduction**

On June 3, 2004, the United States Postal Service filed a request for a recommended decision from the Postal Rate Commission approving a two-year experimental mail classification and rate for a new Priority Mail "flat-rate box" offering.<sup>1</sup> The Request, which includes five attachments, was filed pursuant to chapter 36 of the Postal Reorganization Act, 39 U.S.C 3601 *et seq.*<sup>2</sup> It was accompanied by three pieces of testimony (along with related exhibits and library references); a statement regarding satisfaction of certain compliance requirements, along with a conditional motion for waiver of certain standard filing requirements; and a request for prompt establishment of settlement procedures.<sup>3</sup> The Request and all related material are available for inspection in the Commission's docket section during regular business hours, and can be accessed electronically, via the Internet, on the Commission's Web site at <http://www.prc.gov>.

*Summary.* The proposal encompasses two new Priority Mail flat-rate box options, each priced at \$7.70, and is geared primarily to convenience-oriented customers. Special boxes would be provided at no additional charge to customers by the Postal Service, and would be readily available at post offices, other physical locations and via the Internet. The two proposed package shapes were chosen based on an analysis of a national Priority Mail survey. Both boxes have the same cubic

volume (0.34 feet), but one is a longer, shallower shape suitable for mailing garments, while the other is a taller package that could accommodate items such as shoes.<sup>4</sup> Text printed directly on the boxes would provide pertinent instructions and information, such as security-related entry limitations and payment methods. One payment option, given that the proposed rate is twice the postage now charged for the Service's existing Priority Mail flat-rate envelope, would be the application of two \$3.85 denomination stamps. Request at 2.

The Service asserts that the proposed experiment will not materially affect its overall revenue position and will not entail any capital investment. It also says the proposed rate is sufficient to guard against any significant loss of revenue from existing Priority Mail customers, while providing for additional revenues from new Priority Mail business. Thus, it says the proposed experiment creates no appreciable risk of significant, negative financial results or harm to the Postal Service, mailers using the new packaging, or other mailers. *Id.* at 3. The Service also asserts, among other things, that the proposal is consistent with the logic of the experimental rules; will further the general policies of the Postal Reorganization Act; and conforms to the applicable statutory criteria. *Id.* at 4-5.

**II. The Service Characterizes Its Proposal as a Short-Term Experiment Testing a Convenience-Oriented Option Similar, in Many Respects, to the Existing Priority Mail Flat-Rate Envelope**

The Service cites customer convenience as the primary justification for offering the proposed flat-rate boxes as additional expedited mailing options. It says customers can simply put an item in a box obtained from the Postal Service, apply the known postage amount and address, and enter the box into the mailstream in an appropriate fashion, thereby avoiding the need to weigh and rate Priority Mail parcels, or to visit a post office for weighing and rating. *Id.* at 2.

The Service proposes a two-year experiment. It says this should allow mailers sufficient time to adjust their mailing practices to use the classification. It also says this amount of time will provide an adequate period to aggregate and analyze the experimental data, thereby facilitating a request for a permanent change in mail classification.

*Id.* at 4. If a permanent request is made within the experimental period, the Service asks that the experiment be allowed to continue until action on that request can be completed, thus avoiding disruption. *Id.* at 5.

**III. Supporting Testimony Supporting Testimony Addresses Pertinent Revenue, Volume and Statutory Criteria**

**A. Witness Scherer's Testimony (USPS-T-1)**

Witness Scherer addresses derivation of the proposed rate, assesses risk, and describes the proposed data collection and reporting plan. He also discusses the proposal's conformance with the criteria for experiments and for rate and classification changes.

Scherer derives the proposed \$7.70 rate from the current Priority Mail schedule, using new survey data on the size and density characteristics of existing Priority Mail parcels to determine an average weight for the box. These new data are from witness Loetscher's testimony. USPS-T-1 at 3, 5. The sampling study provides an average density of 6.70 pounds per cubic foot for a Priority Mail parcel of 0.34 ft, or an average weight of 2.28 pounds. This weight is used to interpolate between the average Priority Mail postage for two-pound parcels and three-pound parcels (across all zones) to arrive at a base postage amount of \$5.92. Witness Scherer then considers economic and pricing criteria to reach a postage amount of \$7.70 for Priority Mail flat-rate boxes. *Id.* at 3.

*Risk.* Scherer says the flat-rate box, like all new product offerings, entails risk to both the customer and the Postal Service. However, he considers the risk to customers minimal, as they may "overpay" for the flat-rate box in some instances. *Id.* at 8-9. With respect to the Service, Scherer says the risk is quantifiable, has an acceptable upper bound for an experiment, and will be at least partially offset by some unquantifiable potential benefits. *Id.* at 6. In his view, the prevailing risk for the Service is the revenue leakage that would occur if Priority Mail customers currently paying more than \$7.70 "buy down" to the flat-rate box. In brief, Scherer finds 9.3 million eligible parcels currently priced above \$7.70, but says he does not expect all of them to migrate to the flat-rate box.

*Data collection plan.* Scherer proposes semi-annual tabulation of flat-rate box volume, distinguished for the two box sizes, by weight increment and zone. He says volume data will come from the ODIS-RPW sampling regularly

<sup>1</sup> Request of the United States Postal Service for a Recommended Decision on Experimental Classification and Rate for Priority Mail Flat-Rate Box, June 3, 2004 (Request). See also Notice of United States Postal Service of Filing of Library Reference USPS-LR-1 and Notice of United States Postal Service of Filing of Library Reference USPS-LR-2, both filed June 3, 2004.

<sup>2</sup> Attachments A and B identify requested changes to the Domestic Mail Classification Schedule and the associated Priority Mail rate schedule; Attachment C is the certification regarding, among other things, the accuracy of the cost statements and supporting data submitted with the Request; Attachment D is an index of testimony and exhibits; and Attachment E is a compliance statement addressing the Service's satisfaction of various filing requirements or its interest in waiver of certain requirements.

<sup>3</sup> Statement of the United States Postal Service Concerning Compliance with Filing Requirements and Conditional Motion for Waiver, June 3, 2004 (collectively referred to as Motion for Waiver); United States Postal Service Request for Establishment of Settlement Procedures, June 3, 2004 (Settlement Request). The latter request seeks expedition in addition to that generally available under the Commission's experimental rules (39 CFR 3001.67-3001.67d).

<sup>4</sup> The external measurements of one box are 14" x 12" x 3.5"; the external measurements of the other are 11.25" x 8.75" x 6." Request at 2. Inside dimensions, respectively, are 13.25" x 11.75" x 3.25" and 11" x 8.5" x 5.5". USPS-T-2 at 4-5.

conducted by the Postal Service's Office of Revenue and Volume Reporting. He says some ODIS-RPW system changes will be required, but that sampling should be able to commence at the start of the experiment. In addition to weight and zone, the sampling will identify the method of postage payment, and thereby provide some insight into the types of customers using the flat-rate box. *Id.* at 13. Scherer also anticipates that sampling will be supplemented, in the second year of the experiment, with market research. He expects this to take the form of a nationwide flat-rate box user survey, and provides possible sample survey questions in Attachment A of his testimony. He notes that Question 8 addresses the main objective of the survey, which is to discern the origins of volume gravitating to the flat-rate box.

Scherer also reviews the proposal in terms of the statutory classification and pricing criteria, and finds that the experiment is consistent with them. *Id.* at 14–18.

#### *B. Witness Barrett's Testimony (USPS-T-2)*

Witness Barrett discusses three facets of the convenience the Service seeks to create: obtaining the product, selecting a method of payment, and entering the item into the mailstream. USPS-T-2 at 6. His testimony indicates that the new boxes will be available via multiple channels, including the Internet, but indicates that post offices are expected to remain the primary contact point for consumers and small business customers. *Ibid.* He notes that payment may be made via existing methods, including stamps and electronic postage. *Id.* at 7.

Barrett notes that given Postal Service security measures, Priority Mail packages bearing stamps and weighing 16 ounces or more may not be placed in a collection box, but instead must be entered at the post office or may be picked up by a letter carrier from a customer's home or place of business pursuant to certain conditions. He says the flat-rate boxes will be subject to the same security guidelines that apply to similar mailings.

Barrett asserts that the flat-rate box would meet customers' need for products that are easy to access and simple to use, and would provide enhanced simplicity and convenience. *Id.* at 3. He says it would offer customers a single, predetermined rate regardless of the actual weight or destination zone of the mailpiece. *Ibid.* He also says the Postal Service hopes, by creating a simplified transaction, to make it easier for retailers, contract

postal units, and individuals or small businesses selling merchandise online to offer Priority Mail to their customers. *Ibid.*

#### *C. Loetscher Testimony (USPS-T-3)*

Witness Loetscher presents and sponsors a national study that estimates the size distributions and densities of Priority Mail parcels. Details and documentation are supplied in USPS-LR-2/MC2004-2.<sup>5</sup> Section 1 of the library reference describes the study; section 2 describes the sample frame, site selection, and data collection methods; and section 3 describes the estimation methodology. An appendix presents the software code used to generate the estimates. USPS-T-3 at 1.

Loetscher's study estimates the proportion of Priority Mail parcels by pound increment, zone and cubic foot increment. *Id.* at 2. Based on the 5,368 Priority Mail parcels that were sampled, Loetscher estimated parcels as having a density of 6.70 pounds per cubic foot. *Id.* at 2–3.

#### **IV. Experimental Designation**

The Service asserts that by designating its Request as an experiment, it intends for the Commission to apply its expedited rules of practice for experimental changes. Request at 3. The Service says that this filing is consistent with the logic of the experimental rules. In particular, it notes that flexibility is required because the detailed, conventional data necessary to support a request for a permanent classification are currently unavailable. The Service believes that this proposal will be attractive to mailers, contribute to the long-term viability of the postal system, and further the general policies of efficient postal operations and reasonable rates and fees enunciated in the Postal Reorganization Act, including 39 U.S.C. 3622(b) and 3623(c). *Id.* at 4–5.

#### **V. Conditional Motion for Waiver**

The instant filing incorporates by reference materials submitted with the Service's Docket No. R2001-1 Request, as well as other materials routinely provided to the Commission by the Service. *Id.* at 5. The Service says it believes that its filing satisfies all

<sup>5</sup> In connection with his library reference, witness Loetscher states: "Some estimates used by witness Scherer rely on distributional Priority Mail volume data. The Postal Service considers these data to be commercially sensitive because they are similar to the GFY 2003 Priority Mail Billing Determinants data which, by convention, will not be reported to the Postal Rate Commission until spring of 2005. Data deemed too commercially sensitive by the Postal Service are not disclosed in the library reference." USPS-T-3 at 1.

applicable Commission filing requirements, but seeks waiver of pertinent provisions of rules 54, 64 and 67 to the extent the Commission concludes otherwise.

In support of its position, the Service contends that its Compliance Statement (Attachment E to the Request) addresses each filing requirement and indicates which parts of the filing satisfy each rule. It also notes that it has incorporated by reference pertinent documentation from the recent omnibus rate case (Docket No. R2001-1). The Service contends, among other things, that the rate case documentation satisfies most filing requirements because the proposed discounts will not materially alter the rates, fees and classifications established in that docket, and therefore will have only a limited impact on overall postal costs, volumes and revenues. It further asserts that there is substantial overlap between the information sought in the general filing requirements and the materials provided in Docket No. R2001-1. Motion for Waiver at 1–4.

In the event the Commission concludes that the materials from the omnibus case are not sufficient to satisfy the requirements, the Service seeks waiver. In support thereof, it cites the reasons expressed in support of its general position on the adequacy of its filing; the nature of the proposed experiment; and the small impact on total costs and revenues and on the costs, volumes and revenues of mail categories. *Id.* at 4–5.

#### **VI. The Service Requests Establishment of Settlement Procedures**

The Service asks the Commission to authorize settlement procedures, citing, among other things, the straightforward nature of the proposal and its limited scope and duration. Settlement Request at 1–2. It asks that the Commission schedule several events: an informal, off-the-record technical conference involving witness Scherer, sometime on June 21–23, 2004; a settlement conference the following week, and a prehearing conference after the July 4th weekend. *Id.* at 3.

#### **VII. Commission Response**

*Appropriateness of proceeding under the experimental rules.* At this stage of the proceeding, the Commission has docketed the instant filing as an experimental case for administrative purposes. Formal status as an experiment under Commission rules 67–67d, which the Service makes clear it seeks for this Request, is based on an evaluation of factors such as the proposal's novelty, magnitude, ease or

difficulty of data collection, and duration. A final determination regarding the appropriateness of accepting the filing as an experimental case and application of Commission rules 67–67d will not be made until participants have had an adequate opportunity to comment. Participants are invited to file comments on this matter by June 24, 2004.

**Authorization of settlement negotiations.** The Commission grants the Service's Request for Establishment of Settlement Procedures and appoints Postal Service counsel as settlement coordinator. In this capacity, counsel for the Service shall file periodic reports on the status of settlement discussions, with the first report to be submitted on or before July 2, 2004. The Commission further authorizes the settlement coordinator to hold a technical conference, at the convenience of participants, anytime between June 21 and 23, 2004; authorizes a settlement conference to be held the next week, with notice to the Commission of the date and time selected; and sets a public post-settlement conference hearing for July 8, 2004, at 10 a.m. in the Commission's hearing room. If progress in the settlement conference overtakes the need for the July 8 conference, the settlement coordinator is to notify the Commission and participants as promptly as possible.

The Commission notes that authorization of settlement discussions does not constitute a finding on the proposal's experimental status or on the need for a hearing in this case.

**Representation of the general public.** In conformance with section 3624(a) of title 39, the Commission designates Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate (OCA), to represent the interests of the general public in this proceeding. Pursuant to this designation, Ms. Dreifuss will direct the activities of Commission personnel assigned to assist her and, upon request, will supply their names for the record. Neither Ms. Dreifuss nor any of the assigned personnel will participate in or provide advice on any Commission decision in this proceeding.

**Intervention; positions on need for hearing.** Those wishing to be heard in this matter are directed to file a notice of intervention with Steven W. Williams, Secretary of the Commission, 1333 H Street, NW., Suite 300, Washington, DC 20268–0001, on or before June 24, 2004. Notices shall indicate whether participation will be on a full or limited basis. See 39 CFR 3001–20 and 3001–20a. Although the Commission is authorizing participants

to engage in settlement discussions, no decision has been made at this time on whether a hearing will be held in this case. To assist the Commission in making this decision, participants are directed to indicate, in their notices of intervention, whether they seek a hearing and, if so, to identify with particularity any genuine issues of material facts believed to warrant such a hearing.

It is ordered:

1. The Commission establishes Docket No. MC2004–2, Experimental Priority Mail Flat-Rate Box, to consider the Postal Service Request referred to in the body of this order.

2. The Commission will sit *en banc* in this proceeding.

3. The deadline for filing notices of intervention is June 24, 2004.

4. Notices of intervention shall indicate whether the participant seeks a hearing and identify with particularity any genuine issues of material fact that warrant a hearing.

5. The deadline for answers to the Statement of the United States Postal Service Concerning Compliance with Filing Requirements and Conditional Motion for Waiver, June 3, 2004, is June 24, 2004.

6. The Commission grants the United States Postal Service Request for Establishment of Settlement Procedures, June 3, 2004, to the extent described in the body of this ruling.

7. The Commission appoints Postal Service counsel to serve as settlement coordinator in this proceeding.

8. The deadline for comments on the Postal Service's request for treatment under Commission rules 67–67d is June 24, 2004.

9. The Commission will make its hearing room available for technical conferences during the period of June 21–23, 2004, and the following week for a settlement conference at such times deemed necessary by the settlement coordinator.

10. A public post-settlement conference hearing will be held July 8, 2004, at 10 a.m. in the Commission's hearing room.

11. Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, is designated to represent the interests of the general public.

12. The Secretary shall arrange for publication of this notice and order in the **Federal Register**.

By the Commission.

Dated: June 9, 2004.

**Garry J. Sikora,**  
*Acting Secretary.*

[FR Doc. 04–13529 Filed 6–15–04; 8:45 am]

**BILLING CODE 7710–FW–P**

## SMALL BUSINESS ADMINISTRATION

### [Declaration of Disaster #3588]

#### State of Louisiana

As a result of the President's major disaster declaration on June 8, 2004, I find that Acadia, Iberville, Lafayette, Livingston, Pointe Coupee, St. Landry, St. Martin, and West Baton Rouge Parishes in the State of Louisiana constitute a disaster area due to damages caused by severe storms and flooding occurring on May 12 through May 19, 2004. Applications for loans for physical damage as a result of this disaster may be filed until the close of business on August 9, 2004, and for loans for economic injury until the close of business on March 8, 2005 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 3 Office, 14925 Kingsport Rd., Fort Worth, TX 76155–2243.

In addition, applications for economic injury loans from small businesses located in the following contiguous Parishes may be filed until the specified date at the above location: Allen, Ascension, Assumption, Avoyelles, East Baton Rouge, East Feliciana, Evangeline, Iberia, Jefferson Davis, St. Helena, St. John The Baptist, St. Mary, Tangipahoa, Vermilion, and West Feliciana Parishes in Louisiana.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners With Credit Available Elsewhere .....	5.750
Homeowners Without Credit Available Elsewhere .....	2.875
Businesses With Credit Available Elsewhere .....	5.500
Businesses and Non-Profit Organizations Without Credit Available Elsewhere .....	2.750
Others (Including Non-Profit Organizations) With Credit Available Elsewhere .....	4.875
For Economic Injury:	
Businesses and Small Agricultural Cooperatives Without Credit Available Elsewhere ...	2.750

The number assigned to this disaster for physical damage is 358806 and for economic injury the number assigned is 9ZH900.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: June 9, 2004.

**Herbert L. Mitchell,**  
*Associate Administrator for Disaster Assistance.*

[FR Doc. 04–13511 Filed 6–15–04; 8:45 am]

**BILLING CODE 8025–01–P**