

## NUCLEAR REGULATORY COMMISSION

### Agency Information Collection Activities: Submission for the Office of Management and Budget (OMB) Review; Comment Request

**AGENCY:** U.S. Nuclear Regulatory Commission (NRC).

**ACTION:** Notice of the OMB review of information collection and solicitation of public comment.

**SUMMARY:** The NRC has recently submitted to OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35). The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

1. *Type of submission, new, revision, or extension:* Revision.
2. *The title of the information collection:* NRC Form 314, Certificate of Disposition of Materials.
3. *The form number if applicable:* NRC Form 314.
4. *How often the collection is required:* The form is submitted once, when a licensee terminates its license.
5. *Who will be required or asked to report:* Persons holding an NRC license for the possession and use of radioactive byproduct, source, or special nuclear material who are ceasing licensed activities and terminating the license.
6. *An estimate of the number of annual responses:* 310.
7. *The estimated number of annual respondents:* 310.
8. *An estimate of the total number of hours needed annually to complete the requirement or request:* 155.
9. *An indication of whether section 3507(d), Pub. L. 104-13 applies:* N/A.
10. *Abstract:* NRC Form 314 furnishes information to NRC regarding transfer or other disposition of radioactive material by licensees who wish to terminate their licenses. The information is used by NRC as part of the basis for its determination that the facility has been cleared of radioactive material before the facility is released for unrestricted use.

A copy of the final supporting statement may be viewed free of charge at the NRC Public Document Room, One White Flint North, 11555 Rockville Pike, Room O-1 F21, Rockville, MD 20852. OMB clearance requests are available at the NRC worldwide Web site: <http://www.nrc.gov/public-involve/>

[doc-comment/omb/index.html](http://www.nrc.gov/doc-comment/omb/index.html). The document will be available on the NRC home page site for 60 days after the signature date of this notice.

Comments and questions should be directed to the OMB reviewer listed below by June 28, 2004. Comments received after this date will be considered if it is practical to do so, but assurance of consideration cannot be given to comments received after this date.

OMB Desk Officer, Office of Information and Regulatory Affairs (3150-0028), NEOB-10202, Office of Management and Budget, Washington, DC 20503.

Comments can also be submitted by telephone at (202) 395-3087.

The NRC Clearance Officer is Brenda Jo. Shelton, (301) 415-7233.

Dated at Rockville, Maryland, this 24th day of May, 2004.

For the Nuclear Regulatory Commission.

**Brenda Jo. Shelton,**

*NRC Clearance Officer, Office of the Chief Information Officer.*

[FR Doc. 04-12100 Filed 5-27-04; 8:45 am]

**BILLING CODE 7590-01-P**

## NUCLEAR REGULATORY COMMISSION

[Docket No. 50-390]

### Tennessee Valley Authority; Notice of Withdrawal of Application for Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has granted the request of Tennessee Valley Authority (the licensee) to withdraw its December 13, 2002, application for proposed amendment to Facility Operating License No. NPF-90 for the Watts Bar Nuclear Plant (WBN), Unit 1, located in Rhea County, Tennessee.

The proposed amendment would have revised the WBN Unit 1, Technical Specifications to add two new sections, 3.7.16, "Shutdown Board Room (SDBR) Air Conditioning System (ACS)," and 3.7.17, "Elevation 772.0 480 Volt Board Room Air Conditioning (AC) systems."

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the **Federal Register** on March 18, 2003 (68 FR 12958). However, by letter dated April 30, 2004, the licensee withdrew the proposed change.

For further details with respect to this action, see the application for amendment dated December 13, 2002, and the licensee's letter dated April 30, 2004, which withdrew the application for license amendment. 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 O-1F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management Systems (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 in Rockville, Maryland, this 21st day of May, 2004.

For the Nuclear Regulatory Commission.

**Manny M. Comar,**

*Project Manager, Section 2, Project Directorate II, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 04-12099 Filed 5-27-04; 8:45 am]

**BILLING CODE 7590-01-P**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49759; File No. SR-Amex-2004-35]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange LLC Relating to the Adoption of Procedures for the Transfer of Options Positions

May 24, 2004.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on May 14, 2004, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by Amex. Pursuant to section 19(b)(3)(A)(iii) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> Amex has designated this proposal as non-controversial, which renders the proposed rule change effective immediately upon filing. The Commission is publishing this notice to

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A)(iii).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

solicit comments on the proposed rule change from interested persons.

### **I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

Amex proposes to amend Exchange Rule 959 to adopt procedures for the on-floor transfer of options positions that are being transferred as part of a sale or disposition of all, or substantially all, of the assets or options of the transferring party. The text of the proposed rule change is available at Amex and at the Commission.

### **II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, Amex included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. Amex has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

#### *A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

##### **1. Purpose**

The purpose of the proposed rule change is to establish which position transfers may occur off-floor and which position transfers must be offered to the floor. Specifically, the Exchange proposes to amend Rule 959 to allow for the on-floor transfer of options positions that are being transferred as part of a sale or disposition of all, or substantially all, of the assets or option positions of a specialist or registered options trader ("ROT"), who would no longer be involved in managing or owning the transferred positions. The procedures established by this proposal would be used by specialists and ROTs who, for reasons other than a forced liquidation, desire to liquidate their entire, or nearly entire position in a single set of transactions. In addition, specialists and ROTs would also be able to use these procedures in preparation for or during lengthy absences from the trading floor, such as an extended vacation. However, these procedures are not intended to replace the Exchange's auction market, and accordingly, frequent use of the procedures by the same specialist or ROT will not be permitted.

Pursuant to the proposal, the specialist or ROT (referred to hereinafter as the "Transferor") would determine which securities to package with the Amex-traded option positions in the portfolio. The Transferor would be able to include other exchange-listed or NASDAQ NMS securities as well as option contracts in the package to be transferred ("Transfer Package") provided the positions are being transferred pursuant to a discontinuation of the management or ownership of the options positions. Any number of Transfer Packages can be created, provided each Transfer Package contains positions in only one option class. This limitation ensures that smaller specialists and ROTs are able to compete against larger member organizations in the bidding for the Transfer Package, thus ensuring a broader participation by the membership of the Exchange. The proposed rule provides, however, that a member or member organization may make an aggregate bid or offer for any number of Transfer Packages offered by a single Transferor. In the event that the aggregate bid or offer is superior to the combination of the individual best bids or offers for the individual Transfer Packages, the Transferor would be allowed to accept that aggregate bid or offer for a combination of, or all of, the Transfer Packages. The Exchange believes that allowing Transferors to accept aggregate bids or offers would ensure that they get the best possible price for their positions.

Transfer Packages would be offered using the procedures for the trading of Flexible Exchange Options ("FLEX")<sup>5</sup> and would be required to be submitted to the specialist for that option class prior to 2 p.m. Under the proposed procedures, any firm submitting a Transfer Package would be required to designate a member of the Exchange or a person associated with a member to represent the order on the floor of the Exchange. This designee must be available on the Exchange floor to answer questions regarding the Transfer Package during the entire Request Response Time. Following the offer of the Transfer Packages, interested members of the Exchange would be given two hours to submit a bid for one or any combination of the Transfer Packages offered by the Transferor. Acceptance of a best bid or offer ("BBO") would create a binding contract under Amex Rule 953, however, a Transferor is not obligated to accept a BBO. If the Transferor does not accept the BBO for the Transfer

Packages, the Transferor may offer the positions in any Transfer Package the following business day. Because the Exchange intends for this proposed procedure to be a transfer procedure and not a price discovery mechanism, the Transferor would need the permission of a Floor Governor to offer the positions on the Exchange floor for any day subsequent to the second day.

Bids and offers would be made on a net debit or credit basis for entire Transfer Packages. In the event that a particular Transfer Package contains stock positions or other securities positions whose transfer must be transacted on another exchange pursuant to applicable law or regulation, then any accepted bid or offer would give rise to a contract for the Amex-listed product, the price of which is contingent on the prices at which the other portions of the Transfer Package are transacted. The price at which the Amex-listed product is transacted would be the price that is necessary to ensure that the entire Transfer Package is transferred at the agreed upon net debit or credit. All transactions that are required to be completed would typically be transacted by the end of the trading day on which the bid or offer is made and accepted. The proposed rule also would provide that the member submitting the accepted bid or offer may cancel the trade for the Amex-listed product in the event that the parties are unable to complete the transaction for the non-Amex-listed product due to a trading halt or some other operational problem outside the control of the submitting party.

The Exchange believes that the proposed procedures should provide Transferors a more favorable bid or offer for their options positions since the other securities in the package may hedge or otherwise complement the options positions and result in more favorable pricing for the overall package.

The proposed rule would serve to expose the maximum number of positions to the auction market. The Exchange believes that exposing these positions to the auction market would benefit the public by increasing the liquidity and transparency of the market in the listed option positions. We further believe that the membership would benefit by being given the opportunity to bid on the positions.

#### *Exemptions*

The Exchange represents that it generally prohibits the off-floor transfers of options positions between accounts, individuals or entities where a change of beneficial ownership results.

<sup>5</sup> See Exchange Rules 900G et al.

However, the Exchange recognizes that there may be circumstances where an off-floor transfer may be justified, such as emergency transfers of a firm's positions in bulk during a market crisis. In an extremely volatile market, the Transferor may be subject to undue risk if he were forced to subject his positions to the auction process established by the proposed rule because there may be some delay in agreeing to a price. In these circumstances, the Exchange represents that its Chief Executive Officer or his designee may, on his own initiative or upon request from the Transferor, exempt the transfer from the proposed rule and permit an off-floor transfer to occur. The Exchange states that another basis for exempting the transfer from the proposed rule would be a showing by the Transferor to the Chief Executive Officer or his designee that compliance with the proposed rule would compromise the market value of the Transferor's business.

The Exchange represents that there are several other circumstances where it would not require the transfer to be completed on the Exchange floor, even in situations where the Transferor does not maintain ownership or management of the positions. These exemptions found in the proposed Rule generally relate to changes to the member's legal status or trading account. In addition, positions donated to a not-for-profit organization or positions donated to a minor under the "Uniform Gifts to Minor" law would not have to be brought to the Exchange floor pursuant to the proposed rule change.

## 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act<sup>6</sup> in general and furthers the objectives of section 6(b)(5)<sup>7</sup> in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

### *B. Self-Regulatory Organization's Statement on Burden on Competition*

Amex does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

### *C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

Amex neither solicited nor received written comments with respect to the proposed rule change.

### **III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The foregoing proposed rule change has become effective upon filing on May 14, 2004 pursuant to section 19(b)(3)(A)<sup>8</sup> of the Act and Rule 19b-4(f)(6)<sup>9</sup> thereunder because the proposal: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) does not become operative for 30 days from the date of filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest; provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the filing date of the proposed rule change.<sup>10</sup>

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative prior to 30 days after the date of filing. However, pursuant to Rule 19b-4(f)(6)(iii),<sup>11</sup> the Commission may designate a shorter time if such action is consistent with the protection of investors and public interest. Amex seeks to have the proposed rule change become effective immediately to allow it to implement the proposed procedures for transferring the options positions of specialists and ROTs that are being transferred as part of a sale or disposition.

The Commission has determined to waive the 30-day operative date requirement for this proposed rule change, and designate the proposed rule change as operative on May 14, 2004, the date it was submitted to the Commission.<sup>12</sup> The Commission notes that the proposed rule change is similar to rules of the Pacific Exchange, Inc. and Chicago Board Options Exchange, which were previously approved by the

Commission.<sup>13</sup> Accordingly, because the proposed rule change does not raise any new regulatory concerns, the Commission has determined that it is consistent with the protection of investors and the public interest to designate the proposed rule change as operative on May 14, 2004. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### **IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

#### *Electronic comments:*

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-Amex-2004-35 on the subject line.

#### *Paper comments:*

- Send paper comments in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609.

All submissions should refer to File Number SR-Amex-2004-35. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW.,

<sup>8</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>9</sup> 17 CFR 240.19b-4(f)(6).

<sup>10</sup> As required under Rule 19b-4(f)(6)(iii), Amex provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date.

<sup>11</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>12</sup> For the purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>13</sup> See Securities Exchange Act Release Nos. 36647 (December 28, 1995) (Order approving CBOE Rule 6.49A); and 45395 (February 5, 2002) (Order approving PCX Rule 6.78(d)).

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of Amex. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-Amex-2004-35 and should be submitted on or before June 18, 2004.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>14</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 04-12111 Filed 5-27-04; 8:45 am]

BILLING CODE 8010-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-49758; File No. SR-PCX-2004-25]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Relating to Arbitration

May 24, 2004.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on May 11, 2004, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in items I, II and III below, which items have been prepared by PCX. PCX filed the proposed rule change pursuant to section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange and its wholly owned subsidiary PCX Equities, Inc. ("PCXE") are proposing to extend the pilot rule in PCX Rule 12.1, Commentary .02 and PCXE Rule 12.2(h), which requires industry parties in arbitration to waive

application of contested California arbitrator disclosure standards, upon the request of customers (and, in industry cases, upon the request of associated persons with claims of statutory employment discrimination), for a six-month pilot period.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in item IV below. The PCX has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

On November 21, 2002, the Commission approved, for a six-month pilot period, the Exchange's proposal to amend PCX and PCXE arbitration rules to require industry parties in arbitration to waive application of contested California arbitrator disclosure standards, upon the request of customers or, in employment discrimination cases, upon the request of associated persons.<sup>5</sup> The Commission approved an extension of the pilot period on May 15, 2003,<sup>6</sup> and November 19, 2003.<sup>7</sup> The pilot period is currently set to expire on May 23, 2004.

On July 1, 2002, the Judicial Council of the State of California adopted new rules that mandated extensive disclosure requirements for arbitrators in California (the "California Standards"). The California Standards are intended to address perceived conflicts of interest in certain commercial arbitration proceedings. As a result of the imposition of the California Standards on arbitrations conducted under the auspices of self-regulatory organizations ("SROs"), the National Association of Securities Dealers, Inc. ("NASD") and the New

York Stock Exchange ("NYSE") suspended the appointment of arbitrators for cases pending in California, and filed a joint complaint in Federal court for declaratory relief in which they contend that the California Standards cannot lawfully be applied to NASD and NYSE because the California Standards are preempted by Federal law and are inapplicable to SROs under State law.<sup>8</sup> Subsequently, in the interest of continuing to provide investors with an arbitral forum in California pending the resolution of the applicability of the California Standards, NASD and NYSE filed separate rule proposals with the Commission that would temporarily require their members to waive the California Standards if all non-member parties to arbitration have done so. The Commission approved the NASD's rule proposal on September 26, 2002,<sup>9</sup> and the NYSE's rule proposal on November 12, 2002.<sup>10</sup> Both the NASD and the NYSE filed rule proposals to further extend the pilot period for additional six-month periods.<sup>11</sup>

Since the NASD's and NYSE's lawsuit relating to the application of the California Standards has not been resolved, PCX is now requesting an extension of the pilot for an additional six months (or until the pending litigation has resolved the question of whether or not the California Standards apply to SROs).<sup>12</sup> PCX requests that the pilot be extended for six months beginning on May 24, 2004. The extension of time permits the Exchange to continue the arbitration process using PCX rules regarding arbitration disclosures and not the California

<sup>8</sup> See Motion for Declaratory Judgment, *NASD Dispute Resolution, Inc. and New York Stock Exchange, Inc. v. Judicial Council of California*, filed in the United States District Court for the Northern District of California, No. C 02 3486 SBA (July 22, 2002), available on the NASD Web site at: [http://www.nasdaq.com/pdf-text/072202\\_ca\\_complaint.pdf](http://www.nasdaq.com/pdf-text/072202_ca_complaint.pdf).

<sup>9</sup> See Exchange Act Release No. 46562 (September 26, 2002), 67 FR 62085 (October 3, 2002) (Order approving SR-NASD-2002-126).

<sup>10</sup> See Exchange Act Release No. 46816 (November 12, 2002), 67 FR 69793 (November 19, 2002) (Order approving SR-NYSE-2002-56).

<sup>11</sup> See Exchange Act Release No. 48553 (September 26, 2003), 68 FR 57494 (October 3, 2003) (Order approving SR-NASD-2003-144); Exchange Act Release No. 49452 (March 19, 2004) 69 FR 17010 (March 31, 2004) (Order approving SR-NASD-2004-40); Exchange Act Release No. 48552 (September 26, 2003), 68 FR 57496 (October 3, 2003) (Order approving SR-NYSE-2003-28); and Exchange Act Release No. 49521 (April 2, 2004), 69 FR 18661 (April 8, 2004) (Order approving SR-NYSE-2004-18).

<sup>12</sup> See also *Richard Mayo v. Dean Witter Reynolds, Inc. et al.*, C-01-20336 JF (N.D. Cal.) in which the District Court for the Northern District of California held that the California Standards, at least as applied to SROs, are preempted by Federal law. As this decision was rendered on April 22, 2003, it is still subject to appeal.

<sup>14</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> See Exchange Act Release No. 46881 (November 21, 2002), 67 FR 71224 (November 29, 2002) (Order approving SR-PCX-2002-71).

<sup>6</sup> See Exchange Act Release No. 47872 (May 15, 2003), 68 FR 28869 (May 27, 2003) (Order approving SR-PCX-2003-22).

<sup>7</sup> See Exchange Act Release No. 48806 (November 19, 2003), 68 FR 66521 (November 26, 2003) (Order approving SR-PCX-2003-61).