

believes that eliminating position and exercise limits for FLEX Equity options on a permanent basis does not substantially increase manipulative concerns. The Commission continues to believe that the enhanced market surveillance of large positions should help the Exchange to take the appropriate action in order to avoid any manipulation or market risk concerns. The Commission expects the Exchange to take prompt action, including timely communication with the Commission and other marketplace self-regulatory organizations responsible for oversight of trading in FLEX options and the underlying stocks, should any unanticipated adverse market effects develop. In summary, because of the special nature of the FLEX Equity markets, the Commission believes that the Exchange's proposals should be approved on a permanent basis. In permanently approving the proposals, the Commission believes that the distinctions between the FLEX Equity options market and the standardized equity options market, as described above, warrant the different regulatory applications of position and exercise limits under the Act.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice thereof in the **Federal Register**. Specifically, the Commission believes that because permanent approval of the proposal will allow the pilot program to continue uninterrupted based on the same terms and conditions of the original pilot, it is consistent with the protection of investors and the public interest to approve the proposed rule changes on an accelerated basis. Furthermore, as noted above, the Commission recently approved identical proposed rule changes from the American Stock Exchange, Chicago Board Options Exchange and the Pacific Exchange.¹³ A full 21-day comment period was provided for those proposals and no comments were received. Accordingly, the Commission believes it is consistent with Section 6(b)(5) and Section 19(b)(2) of the Act to grant accelerated approval to the proposed rule change.¹⁴

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁵ that the proposed rule change (SR-Phlx-99-57) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁶

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00-1737 Filed 1-24-00; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice No. 3207]

Bureau of Oceans, International Environmental and Scientific Affairs; Public Meeting to Discuss Preparations for Negotiations on an Annex to the United States-Canada Air Quality Agreement to Address the Transboundary Problem of Ground-Level Ozone

SUMMARY: The United States government, through an interagency working group chaired by the U.S. Department of State, is seeking authority to negotiate an annex to the United States-Canada Air Quality Agreement of 1991. The proposed annex would seek to address transboundary ground-level ozone air quality problems by establishing commitments to reduce emissions of major constituents of air pollution. In preparation for the proposed negotiations, the United States will establish a negotiating team consisting of representatives of the U.S. Department of State, the U.S. Environmental Protection Agency, and other interested U.S. government agencies. In addition, three representatives of interested party groups (one each from industry/mining/labor, U.S. states, and environmental groups) will be invited to participate on the U.S. delegation to the talks. The first negotiating session is expected to take place in Ottawa, Canada, in February 2000. The U.S. Department of State will host a public meeting in advance of this session to outline issues likely to arise in the context of the negotiations, to invite public comment, and to invite interested parties to collaborate on selecting their group's representative on the U.S. delegation. The public meeting will take place on Friday, February 4, 2000, from 9:00 a.m. to 11:00 a.m. in Room 1107 of the U.S. Department of State, 2201 C Street NW, Washington, D.C. To expedite their entrance into the building, attendees should provide to Eunice Mourning of the Office of Environmental Policy, U.S. Department of State (tel. 202-647-9266, fax 202-647-5947) their name, organization, date of birth and Social Security number

by close of business on Wednesday, February 2, 2000. Attendees should enter the C Street entrance and bring picture identification with them. For further information, please contact Ms. Cornelia Weierbach, U.S. Department of State, Office of Environmental Policy (OES/ENV), Room 4325, 2201 C Street NW, Washington DC 20520. Phone 202-647-4548, fax 202-647-5947, e-mail weierbachcm@state.gov.

SUPPLEMENTARY INFORMATION:

Air Quality Cooperation With Canada

The United States and Canada committed themselves to addressing transboundary air pollution issues in the 1991 United States-Canada Air Quality Agreement. Since that Agreement entered into force, work has focused on achieving reductions in emissions of the two major acid rain pollutants: sulfur dioxide (SO₂) and nitrogen oxides (NO_x). Both parties have recorded excellent progress in complying with the SO₂ and NO_x emission reduction goals in the Agreement. Cooperative efforts on transboundary air pollution issues have led to the recognition that the U.S. and Canada have substantial common interests in the mitigation of ground-level ozone and particulate matter pollution.

In April 1997, President Clinton met with Canadian Prime Minister Chretien to discuss, among other issues, bilateral transboundary pollution control initiatives. At that time, the U.S. Environmental Protection Agency (EPA) Administrator and the Canadian Minister of the Environment signed the Program to Develop a Joint Plan of Action for Addressing Transboundary Air Pollution. The focus of this initiative was on ground-level ozone and particulate matter. In June 1998, these officials endorsed a report from the U.S.-Canada Air Quality Committee in which the Committee undertook to deliver, by April 1999, recommendations on the negotiation of an ozone annex to the U.S.-Canada Air Quality Agreement. On April 6, 1999, the Committee recommended the negotiation of an ozone annex to the U.S.-Canada Air Quality Agreement. Both the Administrator and the Minister agreed with this recommendation.

U.S. Domestic Framework for Controlling Ground-Level Ozone and Related Precursors

The United States has a strong regulatory program under the Clean Air Act (the Act) to reduce significantly emissions of ozone forming pollutants—NO_x and volatile organic compounds

¹³ See *supra* note 5.

¹⁴ 15 U.S.C. 78f(b)(5) and 78s(b)(2).

¹⁵ 15 U.S.C. 78s(b)(2).

¹⁶ 17 CFR 200.30-3(a)(12).

(VOCs). This regulatory program is expected to form the basis of any commitments made by the U.S. under an ozone annex to the U.S.-Canada Air Quality Agreement.

The EPA has established national ambient air quality standards (NAAQS) for several pollutants, including ozone. To help achieve these air quality standards, EPA has issued a series of national regulations over the past 20 years designed to continue to diminish significantly emissions of VOCs and NO_x from light-duty vehicles, and NO_x from heavy-duty vehicles. In addition, EPA has begun phasing in control programs to reduce these emissions from non-road engines. It has also reduced sulfur in diesel fuels, and required cleaner, less volatile gasoline (*i.e.*, gasoline with a lower Reid Vapor Pressure) in most urban areas in the country. Several additional programs and regulations have been or are being phased in to further reduce emissions of NO_x, sulfur and VOCs from vehicles and/or fuels.

Under the Act, EPA requires stringent levels of control for newly built or modified industrial sources of ozone precursor emissions of NO_x and VOCs. EPA has also issued a series of emission standards that are significantly reducing emissions of NO_x from existing industrial sources.

Relation to the UNECE LRTAP Protocol

Parties to the U.N. Economic Commission for Europe's (UNECE) Convention on Long-Range Transboundary Air Pollution (LRTAP) recently signed a Protocol to Abate Acidification, Eutrophication, and Ground-Level Ozone (the LRTAP Protocol). The U.S. and Canada are both Parties to the LRTAP Convention, and each has signed the Protocol. Under the LRTAP Protocol, the U.S. and Canada have agreed to bring forward emission reduction commitments for SO₂, NO_x, and VOCs when negotiations on an ozone annex to the U.S.-Canada Air Quality Agreement are completed. The agreements in the LRTAP Protocol were based on an understanding by the European parties that the U.S. and Canada intended to negotiate an ozone annex, and would be committing to specific control programs and/or emission reductions under that annex. Their obligations under the annex would then be incorporated automatically into the LRTAP Protocol. Negotiation of this annex would, therefore, provide the basis of commitments under the LRTAP Protocol.

Participation of Interested Party Representatives on the U.S. Delegation

In order to further the public interest, the Department of State, in consultation with other U.S. government agencies, will invite three representatives from among all interested members of the public to participate in the negotiations as (non-U.S. government) members of the U.S. delegation. One individual will be invited to represent each of the following groups: industry/mining/labor, U.S. states, and environmental/public interest groups. Organizations that are members of each group are invited to nominate a spokesperson and collaborate on the selection of the representative who will participate on the U.S. delegation.

The spokesperson of each group should notify the Office of Environmental Policy, U.S. Department of State, not later than February 11, 2000, of the group's selection of its representative. Further discussion of this process will take place at the February 4, 2000 public meeting.

Timetable and Point of Contact

The United States and Canada expect to begin negotiations on the ozone annex in February 2000, and expect to complete negotiations by the end of 2000, with negotiating sessions to occur every three to four months. In preparation for the proposed negotiation, the Administration is preparing its position for the negotiation, and has scheduled a public meeting to be held on Friday, February 4, 2000 from 9:00 a.m. to 11:00 a.m. in Room 1107 of the U.S. Department of State. Members of the Interagency Committee who will participate in the proposed negotiation will provide an overview of U.S. preparations for the first session. The U.S. Department of State is issuing this notice to help ensure that interested and potentially affected parties are aware of and knowledgeable about these negotiations, and have an opportunity to offer comments. Prior to subsequent briefings, we will be contacting organizations/individuals that have expressed an interest by mail, fax or e-mail. Those organizations/individuals which cannot attend the February 4, 2000 meeting, but wish to either submit a written comment or to remain informed, should provide Eunice Mourning of the Office of Environmental Policy, U.S. Department of State (phone 202-647-9266; fax 202-647-5947) with their statement and/or their name, organization, address, telephone and fax numbers, and their e-mail address.

Dated: January 19, 2000.

Daniel Fantozzi,

Director, Office of Environmental Policy.

[FR Doc. 00-1733 Filed 1-24-00; 8:45 am]

BILLING CODE 4710-06-P

TENNESSEE VALLEY AUTHORITY

Sunshine Act Meeting

AGENCY HOLDING THE MEETING: Tennessee Valley Authority (Meeting No. 1515).

TIME AND DATE: 9 a.m. (CST), January 27, 2000.

PLACE: TVA Environmental Research Center Auditorium, Muscle Shoals, Alabama.

STATUS: Open.

Agenda

Approval of minutes of meeting held on December 8, 1999.

New Business

B—Purchase Award

B1. Supplement to contract with U.S. Fleet Leasing for fleet maintenance services.

B2. Cooperative/contract agreement with Bicentennial Volunteers, Incorporated, for volunteer, special projects, and staff augmentation services.

C—Energy

C1. Supplement to Contract No. 99PPW-235218-002 with ABB Environmental Systems to design, manufacture, and deliver selective catalytic reduction process equipment for any TVA fossil plant.

C2. Supplement to Contract No. 98P6D-195379 with General Electric Company for the manufacture and turnkey installation of new simple cycle dual fuel combustion turbine generating units.

E—Real Property

E1. Public auction sale of approximately 0.23 acre of land located on Cherokee Lake in Grainger County, Tennessee (Tract No. XCK-581) to resolve an existing house encroachment on one lot and to provide adequate area on a second adjoining lot to permit home construction.

E2. Grant of permanent easement, without charge, except for payment of TVA's administrative costs, to the State of Tennessee for highway improvement purposes, affecting 5 acres of land on Watts Bar Lake in Rhea County, Tennessee (Tract No. XTWBR-141H).

E3. Grant of a permanent recreation easement, without charge, except for payment of TVA's administrative costs,