

a single-employer plan's variable-rate premium. Pursuant to the Pension Protection Act of 2006, for premium payment years beginning in 2006 or 2007, the required interest rate is the "applicable percentage" of the annual rate of interest determined by the Secretary of the Treasury on amounts invested conservatively in long-term investment grade corporate bonds for the month preceding the beginning of the plan year for which premiums are being paid (the "premium payment year").

On February 2, 2007 (at 72 FR 4955), the Internal Revenue Service (IRS) published final regulations containing updated mortality tables for determining current liability under section 412(l)(7) of the Code and section 302(d)(7) of ERISA for plan years beginning on or after January 1, 2007. As a result, in accordance with section 4006(a)(3)(E)(iii)(II) of ERISA, the "applicable percentage" to be used in determining the required interest rate for plan years beginning in 2007 is 100 percent.

The required interest rate to be used in determining variable-rate premiums for premium payment years beginning in February 2007 is 5.89 percent (i.e., 100 percent of the 5.89 percent composite corporate bond rate for January 2007 as determined by the Treasury).

The following table lists the required interest rates to be used in determining variable-rate premiums for premium payment years beginning between March 2006 and February 2007.

For premium payment years beginning in:	The required interest rate is:
March 2006	4.87
April 2006	5.01
May 2006	5.25
June 2006	5.35
July 2006	5.36
August 2006	5.36
September 2006	5.19
October 2006	5.06
November 2006	5.05
December 2006	4.90
January 2007	5.75
February 2007	5.89

Multiemployer Plan Valuations Following Mass Withdrawal

The PBGC's regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) prescribes the use of interest assumptions under the PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR part 4044). The interest assumptions applicable to valuation dates in January 2007 under part 4044 are contained in

an amendment to part 4044 published elsewhere in today's **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 12th day of February 2007.

Vincent K. Snowbarger,
Interim Director, Pension Benefit Guaranty Corporation.

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POSTAL REGULATORY COMMISSION

[Docket No. MC2007-1; Order No. 3]

Negotiated Service Agreement

AGENCY: Postal Regulatory Commission.

ACTION: Notice and order on new baseline negotiated service agreement case.

SUMMARY: This document establishes a docket for consideration of the Postal Service's request for approval of contract rates with Bank of America Corporation (Bank of America). It identifies key elements of the proposed agreement, which involves First-Class and Standard Mail letter rates, and addresses preliminary procedural matters.

DATES: Notices of intervention due March 5, 2007; prehearing conference: March 14, 2007 (10 a.m.).

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, 202-789-6820 and stephen.sharfman@prc.gov.

Regulatory History

Capital One Services, Inc. Negotiated Service Agreement, 67 FR 61355 (September 30, 2002).

Negotiated Service Agreement Final Rule, 69 FR 7574 (February 18, 2004).

SUPPLEMENTARY INFORMATION: The Request of the United States Postal Service for a Recommended Decision on Classifications, Rates and Fees to Implement a Baseline Negotiated Service Agreement with Bank of America Corporation (Request) was filed with the Postal Regulatory Commission on February 7, 2007.¹ The negotiated

¹ The procedures of the former Postal Rate Commission apply to this Request under 39 U.S.C. 3622(f) as established by the Postal Accountability and Enhancement Act, Pub. L. 109-435, 120 Stat. 3198 (2006). Section 3622(f) specifies, for the mail categories which are the subject of this Request,

service agreement is proffered as a new baseline negotiated service agreement. The Request includes six attachments.²

The Postal Service has identified Bank of America Corporation (Bank of America), along with itself, as parties to the negotiated service agreement. This identification serves as notice of intervention by Bank of America. It also indicates that Bank of America shall be considered a co-proponent, procedurally and substantively, of the Postal Service's Request during the Commission's review of the negotiated service agreement. Rule 191(b) [39 CFR 3001.191b]. An appropriate Bank of America Corporation Notice of Appearance and Filing of Testimony as Co-proponent, February 7, 2007, also has been filed.

In support of the Request, the Postal Service has filed Direct Testimony of Ali Ayub on Behalf of United States Postal Service, February 7, 2007 (USPS-T-1). Bank of America has separately filed Direct Testimony of Richard D. Jones on Behalf of Bank of America Corporation, February 7, 2007 (BAC-T-1). The Postal Service states that it intends to rely upon the testimony submitted by Bank of America in presentation of its direct case in accordance with rule 192(b) [39 CFR 3001.192b]. Request at 5. The Request has been assigned Docket No. MC2007-1.

The Postal Service's Request, the accompanying testimonies of witnesses Ayub (USPS-T-1) and Jones (BAC-T-1), and other related material are available for inspection at the Commission's docket section during regular business hours. They also can be accessed electronically, via the Internet, on the Commission's Web site (<http://www.prc.gov>).

I. Bank of America Negotiated Service Agreement

The Postal Service proposes to enter into a three-year negotiated service agreement with Bank of America. The

that: "[p]roceedings initiated to consider a request for a recommended decision filed by the Postal Service during that 1-year [transition] period shall be completed in accordance with subchapter II of chapter 36 of this title and implementing regulations, as in effect before the date of enactment of this section."

² Attachments A and B to the Request contain proposed changes to the Domestic Mail Classification Schedule and the associated rate schedules; Attachment C is a certification required by Commission rule 193(i) specifying that the cost statements and supporting data submitted by the Postal Service, which purport to reflect the books of the Postal Service, accurately set forth the results shown by such books; Attachment D is an index of Postal Service testimony; Attachment E is a compliance statement addressing satisfaction of various filing requirements; and Attachment F is a copy of the Negotiated Service Agreement.

negotiated service agreement provides performance-based incentives to encourage Bank of America to undertake certain mailing activities to reduce Postal Service costs associated with processing Bank of America's letter-rated First-Class Mail and Standard Mail. The agreement also encompasses mail entered into the system by or on behalf of Bank of America subsidiaries or affiliates. The agreement is described as a pure cost-savings agreement based on pay for performance rather than compliance with specific process changes.

The agreement requires multiple operational commitments from Bank of America: Implementing Four-State Barcode, OneCode ACS, CONFIRM, Seamless Acceptance, FAST and eDropship; barcoding of Courtesy and Business Reply Mail and Qualified Business Reply Mail; and waiver of physical return of certain First-Class Mail and Standard Mail in return for acceptance of electronic information.

The Postal Service agrees to pay rate discounts from otherwise established rates for improvements in address quality and mail processing based on actual mail volumes and performance. First-Class Mail discounts will be available for improvements in mail processing, reductions in return rates, and reductions in forwarding rates. Standard Mail discounts will be available for improvements in mail processing, and reductions in undeliverable-as-addressed rates. The discounts, in the form of refunds, will be calculated quarterly and are based on a percentage of the resulting cost savings to the Postal Service. Specific per-piece discounts based on overall percentage incremental improvements are described in the Request, Attachment B.

The Postal Service estimates it may benefit by \$5.5 million, net of incentives, over the three-year life of the Negotiated Service Agreement. USPS-T-1 at 24. However, because the agreement is performance based, the actual value of the agreement can not be known with certainty until after the agreement has ended.

II. Commission Response

Applicability of the rules for baseline negotiated service agreements. For administrative purposes, the Commission has docketed the instant filing as a request predicated on a baseline negotiated service agreement as described by rule 195 [39 CFR 3001.195].

Representation of the general public. In conformance with former 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. Those wishing to be heard in this matter are directed to file a notice of intervention on or before March 5, 2007. The notice of intervention shall be filed using the Internet (Filing Online) at the Commission's Web site (<http://www.prc.gov>), unless a waiver is obtained for hardcopy filing. Rules 9(a) and 10(a) [39 CFR 3001.9a and 10a]. Notices should indicate whether participation will be on a full or limited basis, see rules 20 and 20a [39 CFR 3001.20 and 20a], and shall indicate if a hearing on this Request is desired.

Prehearing conference. A prehearing conference will be held March 14, 2007, at 10 a.m. in the Commission's hearing room. Participants are encouraged to immediately begin discovery once a notice of intervention is filed to begin developing issues for consideration. Participants shall be prepared to address the scheduling of additional discovery and any issue(s) that justify scheduling a hearing at the prehearing conference. The Commission strongly urges participants to file supporting written argument in advance of the prehearing conference in regard to the identification of any issue(s) that would indicate the need to schedule a hearing, or any other scheduling request. The Commission intends to resolve such issues shortly after the prehearing conference.

Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. MC2007-1 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. Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, is designated to represent the interests of the general public.
4. The deadline for filing notices of intervention is March 5, 2007.
5. A prehearing conference will be held March 14, 2007, at 10 a.m. in the Commission's hearing room.

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

By the Commission.

Steven W. Williams,
Secretary.

[FR Doc. E7-2624 Filed 2-14-07; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Proposed Collection; Comment Request

Upon written request, copies available from: Securities and Exchange Commission, Office of Filings and Information Services, Washington, DC 20549.

Extension: Rule 23c-3, and Form N-23c-3, SEC File No. 270-373 OMB Control No. 3235-0422

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 350 *et seq.*), the Securities and Exchange Commission (the "Commission") is soliciting comments on the collections of information summarized below. The Commission plans to submit these existing collection of information to the Office of Management and Budget ("OMB") for extension and approval.

Rule 23c-3 (17 CFR 270.23c-3) under the Investment Company Act of 1940 (15 U.S.C. 80a-1 *et seq.*) is entitled: "Repurchase of Securities of Closed-End Companies." The rule permits certain closed-end investment companies ("closed-end funds" or "funds") periodically to offer to repurchase from shareholders a limited number of shares at net asset value. The rule includes several reporting and recordkeeping requirements. The fund must send shareholders a notification that contains specified information each time the fund makes a repurchase offer (on a quarterly, semi-annual, or annual basis, or for certain funds, on a discretionary basis not more often than every two years). The fund also must file copies of the shareholder notification with the Commission (electronically through the Commission's Electronic Data Gathering, Analysis, and Retrieval System ("EDGAR")) attached to Form N-23c-3 (17 CFR 274.221), a cover sheet that provides limited information about the fund and the type of offer the fund is making.¹ The fund must

¹ Form N-23c-3 requires the fund to state its registration number, its full name and address, the date of the accompanying shareholder notification, and the type of offer being made (periodic, discretionary, or both).