

*grandfathered service or service under Southwestern's OATT), they will not be renewed; so if continued service is desired, it would be under a new SPP OATT agreement, per SPP OATT Attachment AD.*

4. Do you expect Section 2.3.5 to apply to both SPP NITS and Southwestern NITS? I believe the peak billing demand methodology is different. *Section 2.3.5 applies to Southwestern NITS only. The new Section 2.3.6 applies to SPP NITS only.*

5. My understanding is that SPP bills NITS load on a 12CP basis, whereas, Southwestern bills NITS load on a 1CP basis (per 2.3.5). Is it correct that NITS Transmission Customers on Southwestern's system will pay less for SPP NITS service than for equivalent Southwestern NITS service? *Southwestern NITS customers are billed on a 1 CP basis and SPP NITS customers are billed on 12 CP basis, both in accordance with their respective OATT's.*

As to whether or not SPP NITS will cost less than Southwestern NITS, several factors will have to be assessed to make that determination, including the entities' proportion of load at the time of the monthly CP and the amount of transmission service reserved that was transitioned to SPP NITS (per the proposed Section 2.3.6). Additionally, entities choosing to utilize SPP NITS will be subject to various SPP charges (i.e. Schedule 11) that may add cost to the SPP NITS. The analysis of these costs can only be determined by the particular customer and their unique set of circumstances. Therefore, a statement that conveys certainty of a lower cost for SPP NITS cannot be made.

*Comment:*

1. There are several general references in the proposed NFTS-13A to Network Integration Transmission Service. In a few instances, the document refers to SPP NITS or Southwestern NITS. I think it would be good to clarify in each instance if we are referring to SPP NITS, Southwestern NITS, or both. *Comment acknowledged. We will review the language and ensure the final rate schedule has clarity between SPP NITS and Southwestern NITS.*

#### AVAILABILITY OF INFORMATION

Information regarding this rate schedule change is available for public review in the offices of Southwestern Power Administration, Williams Tower I, One West Third Street, Tulsa, Oklahoma 74103.

#### ADMINISTRATOR'S CERTIFICATION

The revised rate schedule will repay all costs of the Integrated System including amortization of the power investment consistent with the provisions of Department of Energy Order No. RA 6120.2. In accordance with Delegation Order Nos. 00-037.00A, effective October 25, 2013, and 00-001.00F, effective November 17, 2014, and Section 5 of the Flood Control Act of 1944, the Administrator has determined that the proposed Integrated System rate schedule is consistent with applicable law and the lowest possible rates consistent with sound business principles.

#### ENVIRONMENT

The Southwestern NEPA Compliance Officer determined that the currently-approved Integrated System rates fall within the class of actions that are categorically excluded from the requirements of preparing either an Environmental Impact Statement or an Environmental Assessment. No additional evaluation of the environmental impact of the proposed rate schedule changes was conducted because no change in anticipated revenues was contemplated.

#### ADMINISTRATIVE PROCEDURES

The Administrative Procedure Act (5 U.S.C. 553(d)) (APA) prescribes that the required publication or service of a substantive rule shall be made not less than 30 days before its effective date, except (1) a substantive rule that grants or recognizes an exemption or relieves a restriction; (2) interpretative rules and statements of policy; or (3) as otherwise provided by the agency for good cause found and published with the rule. For the reasons stated in the paragraph that follows, the Department of Energy (DOE) finds good cause to waive the 30-day delay in effective date because a 30-day delay would be unnecessary.

In this action, Southwestern updates the method for charging non-Federal transmission customers who choose to contract for SPP NITS on Southwestern's transmission system under the SPP OATT from a stated rate to a revenue-requirement based charge, to better align with standard practices utilized by SPP. Because the NFTS-13A rate schedule change will result in no change in anticipated revenues, it is considered a "minor rate adjustment" pursuant to 10 CFR part 903, subpart A, and Southwestern has treated it as such in the rate schedule actions to date. A "minor rate adjustment" is defined as a rate adjustment that (1) will produce less than 1 percent change in the annual

revenues of the power system; or (2) is for a power system that has either annual sales normally less than 100 million kilowatt hours or an installed capacity of less than 20,000 kilowatts. When consistent with the APA, DOE regulations also provide that the effective date of rate schedules put into effect on an interim basis by the Deputy Secretary may be sooner than 30 days after the Deputy Secretary's decision when making a minor rate adjustment.

Additionally, DOE emphasizes that there were no substantive issues or concerns raised during the public comment period for the NFTS-13A rate schedule action.

#### ORDER

In view of the foregoing and pursuant to the authority delegated to me by the Secretary of Energy, I hereby confirm, approve and place in effect on an interim basis, effective January 1, 2017, the Southwestern Integrated System Rate Schedule NFTS-13A which shall remain in effect on an interim basis through September 30, 2017, or until the FERC confirms and approves the rates on a final basis.

Dated: December 23, 2016.  
Elizabeth Sherwood-Randall,  
Deputy Secretary.

[FR Doc. 2016-31885 Filed 1-3-17; 8:45 am]

BILLING CODE 6450-01-P

#### FEDERAL RESERVE SYSTEM

##### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the

nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than January 27, 2017.

*A. Federal Reserve Bank of St. Louis* (David L. Hubbard, Senior Manager) P.O. Box 442, St. Louis, Missouri 63166–2034. Comments can also be sent electronically to

[Comments.applications@stls.frb.org](mailto:Comments.applications@stls.frb.org):

1. *American Pacific Bancorp, Inc.*, Harrisburg, Illinois; to become a bank holding company by acquiring 67 percent of Main Street Bancshares, Inc., Harrisburg, Illinois, and thereby indirectly acquiring Grand Rivers Community Bank, Grand Chain, Illinois.

Board of Governors of the Federal Reserve System, December 29, 2016.

**Yao-Chin Chao,**

*Assistant Secretary of the Board.*

[FR Doc. 2016–31913 Filed 1–3–17; 8:45 am]

**BILLING CODE 6210–01–P**

*Chad Wisdom McManus 2016 Irrevocable Trust, and Chad Wisdom McManus, acting in his capacity as trustee of both trusts, all of Enid, Oklahoma; and the Kelsey Grace Gingrich 2012 Irrevocable Trust, the Kelsey Grace Hunter 2016 Irrevocable Trust, and Kelsey Grace Hunter (née Gingrich), acting in her capacity as trustee of both trusts, all of Edmond, Oklahoma; to acquire voting shares of Grace Investment Company, Inc., Alva, Oklahoma, and thereby join the existing Peggy J. Wisdom Family Control Group previously approved to control 25 percent or more of the voting shares of Grace Investment Company, Inc. Grace Investment Company, Inc. is the parent holding company of Alva State Bank and Trust Company, Alva, Oklahoma; First National Bank in Okeene, Okeene, Oklahoma; and The First State Bank, Kiowa, Kansas.*

Board of Governors of the Federal Reserve System, December 29, 2016.

**Yao-Chin Chao,**

*Assistant Secretary of the Board.*

[FR Doc. 2016–31914 Filed 1–3–17; 8:45 am]

**BILLING CODE 6210–01–P**

600 Pennsylvania Ave. NW., Mailstop CC–8232, Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:** The FTC IoT Home Inspector Challenge (the “Contest”) encourages the public to create a tool that consumers can deploy to guard against security vulnerabilities in software on the IoT devices in their homes. The tool would, at a minimum, help protect consumers from security vulnerabilities caused by out-of-date software. The competition’s purpose is to stimulate innovation and progress in protecting and empowering consumers against security risks associated with IoT devices in the home.

### A. Background

Every day, American consumers use Internet-connected devices<sup>1</sup> to make their homes “smarter.” Consumers can remotely program their smart home devices to turn on their lights, start the oven, and turn on soft music so they return to a comfortable environment when they get home from work. Smart video monitors enable consumers to remotely view their homes, pets, or children. Smart fire and burglar alarms address safety issues through sensors and alerts. And smart thermostats can automatically adjust temperature settings depending on the time of day and presence of people in the house. To tie all these devices together, smart home platforms are also beginning to proliferate across the marketplace.

While these smart devices enable enormous convenience and safety benefits, they can also create security risks. For example, press reports from October 2016 demonstrated how smart devices could be used in “botnets” to disrupt the Internet.<sup>2</sup> This incident demonstrated that lax IoT device security can threaten not just device owners, but the entire Internet. In another incident, a group of hackers allegedly gained unauthorized access to routers manufactured by the tech company ASUS and left a text file warning stating, “Your Asus router (and your documents) can be accessed by anyone in the world with an internet connection.”<sup>3</sup> The FTC announced a

## FEDERAL RESERVE SYSTEM

### Change in Bank Control Notices; Acquisitions of Shares of a Bank or Bank Holding Company

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board’s Regulation Y (12 CFR 225.41) to acquire shares of a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than January 18, 2017.

*A. Federal Reserve Bank of Kansas City* (Dennis Denney, Assistant Vice President) 1 Memorial Drive, Kansas City, Missouri 64198–0001:

1. *The Bryant James Gingrich 2012 Irrevocable Trust, the Bryant James Gingrich 2016 Irrevocable Trust, and Bryant James Gingrich, acting in his capacity as trustee of both trusts, all of Alva, Oklahoma; the Chad Wisdom McManus 2012 Irrevocable Trust, the*

## FEDERAL TRADE COMMISSION

### IoT Home Inspector Challenge

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice; public challenge.

**SUMMARY:** The Federal Trade Commission (“FTC”) announces a prize competition that challenges the public to create a technical solution (“tool”) that consumers can deploy to guard against security vulnerabilities in software on the Internet of Things (“IoT”) devices in their homes. The tool would, at a minimum, help protect consumers from security vulnerabilities caused by out-of-date software. Contestants have the option of adding features, such as those that would address hard-coded, factory default or easy-to-guess passwords. The prize for the competition is up to \$25,000, with \$3,000 available for each honorable mention winner(s). Winners will be announced on or about July 27, 2017.

**DATES:** The deadline for registering and submitting entries is May 22, 2017 at 12:00 p.m. EDT. Further instructions and requirements regarding the registration and submission process will be provided on the Contest Web site ([ftc.gov/iothomeinspector](http://ftc.gov/iothomeinspector)).

**FOR FURTHER INFORMATION CONTACT:** Ruth Yodaiken, 202–326–2127, Division of Privacy and Identity Protection, Bureau of Consumer Protection, FTC;

<sup>1</sup> As used herein, “Internet-connected,” “IoT,” or “smart” devices are devices other than desktop or laptop computers or smartphones.

<sup>2</sup> See, e.g., “Americans uneasy with IoT devices like those used in Dyn DDoS attack, survey finds,” Tech Crunch, Darrell Etherington (October 24, 2016) (stating that a “coordinated botnet attack effectively choked internet access to a large number of popular sites” and was attributed “in large part due to the spread of connected Internet of Things (IoT) devices”), available at <https://techcrunch.com/2016/10/24/americans-uneasy-with-iot-devices-like-those-used-in-dyn-ddos-attack-survey-finds/>.

<sup>3</sup> “ASUS Settles FTC Charges That Insecure Home Routers and “Cloud” Services Put Consumers’