

requested a more targeted independent assessment be completed. The purpose of the independent assessment was to help the licensee identify issues with the CAP and improve the effectiveness of the CAP.

During the next eight calendar quarters, onsite and region-based NRC inspectors monitored plant activities to improve the CAP, and completed in-depth inspections and assessment activities in spring 2007 and summer 2008 to evaluate the effectiveness of FPL's efforts. These inspections included evaluations of the safety conscious work environment. The inspection results were documented in Inspection Reports 05000250/2007008 and 05000251/2007008, 05000250/2008007 and 05000251/2008007, and 05000250/2008008 and 05000251/2008008, available on the NRC public web site. The NRC also held public meetings with FPL in Atlanta, GA to discuss the effectiveness of the actions to improve the CAP.

Based on these inspections and the extensive review of FPL's activities focused on improving the CAP that stretched over a 2-year period (June 2006 to June 2008), the NRC determined that FPL had made progress in improving all areas addressed by the improvement plan. The NRC also determined that employees felt free to raise concerns without fear of retaliation. At that point the NRC staff considered the substantive cross-cutting issue closed.

Recently, the NRC issued two Notice of Violations to Turkey Point and St. Lucie, each of which cited, in part, FPL's failure to implement corrective actions per 10 CFR 50, Appendix B, Criterion XVI. The violation issued to Turkey Point does not reopen the substantive cross-cutting issue that was closed in 2008, but the NRC assessed the finding to determine if a cross-cutting aspect of Problem Identification and Resolution was applicable. As stated in the Turkey Point Final Significance Determination letter dated June 21, 2010 (ADAMS Accession No. ML101730313), the NRC determined that the licensee properly identified the boraflex degradation issue and thoroughly evaluated the problems. Therefore, per Inspection Manual Chapter (IMC) 0310, "Components Within the Cross-Cutting Areas," Problem Identification and Resolution cross-cutting aspect P.1(c) is no longer applicable or valid. However, the NRC determined that the finding had a cross-cutting aspect per IMC 0310, Problem Identification and Resolution, P.1(d) since the licensee did not take appropriate corrective actions to address

safety issues and adverse trends in a timely manner, commensurate with their safety significance and complexity.

The NRC considers a cross-cutting aspect for all findings identified at a facility and when the NRC identifies four findings with the same cross-cutting aspect then it becomes a substantive cross-cutting issue. Currently, there are not four findings with the same cross-cutting aspect of Problem Identification and Resolution at Turkey Point or St. Lucie. These two violations identified at Turkey Point and St. Lucie will be tracked by NRC inspectors and evaluated during the next Problem Identification and Resolution inspection.

III. Conclusion

The Petitioner raised issues related to weaknesses in the ECP as a means of getting issues entered into the CAP and "chilling effects" that exist at Turkey Point and are spreading to St. Lucie where employees are dissuaded from freely raising nuclear safety concerns to the NRC or within FPL for fear of retaliation by FPL management.

The NRC has performed Problem Identification and Resolution inspections at Turkey Point and St. Lucie that cover the timeframes indicated by the Petitioner. The inspections concluded that the CAP processes and procedures were effective and thresholds for identifying issues were appropriately low. Furthermore, the NRC is aware of the actions that the licensee is taking to address the FPL identified weaknesses, and the NRC will continue to assess the effectiveness of these actions during the next Problem Identification and Resolution inspection. The NRC determined that FPL had made progress in improving all areas addressed by the improvement plan. The NRC also determined that employees felt free to raise concerns without fear of retaliation. Therefore, the NRC concludes that public health and safety have not been affected by licensee-identified weaknesses in the ECP. The NRC has also reviewed FPL's retention bonus agreement and has concluded that it does not violate 10 CFR 50.7(f).

Based on the above discussion, the Director of the Office of Nuclear Reactor Regulation has decided to deny the Petitioner's request to issue a Notice of Violation and Imposition of Civil Penalty or establishment of a monetary fund and a confirmatory order modifying FPL License Nos. DPR-31 and DPR-41. The actions the licensee is taking make enforcement action unnecessary.

In addition, the NRC is denying the Petitioner's request to place the Turkey Point and the St. Lucie facilities in cold shutdown until such time as the NRC can make a full assessment of the work environments at those facilities and determine whether employees at those facilities are free, and feel free, to raise nuclear safety concerns to FPL management or directly to the NRC without fear of retaliation. As explained above, the NRC has assessed the work environment at these facilities and determined that there are no findings of significance and no threat to public health and safety associated with the identified weaknesses of the ECP at Turkey Point or St. Lucie.

As provided in 10 CFR 2.206(c), a copy of this Director's Decision will be filed with the Secretary of the Commission for the Commission to review. As provided for by this regulation, the decision will constitute the final action of the Commission 25 days after the date of the decision unless the Commission, on its own motion, institutes a review of the decision within that time.

Dated at Rockville, Maryland, this 9th day of July 2010.

For the Nuclear Regulatory Commission.

Eric J. Leeds,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 2010-17509 Filed 7-16-10; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold a Closed Meeting on Thursday, July 22, 2010 at 2 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii) and (10), permit consideration of the scheduled matters at the Closed Meeting.

Commissioner Paredes, as duty officer, voted to consider the items listed for the Closed Meeting in a closed session.

The subject matter of the Closed Meeting scheduled for Thursday, July 22, 2010 will be:

Institution and settlement of injunctive actions;

Institution and settlement of administrative proceedings; Adjudicatory matters; and Other matters relating to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 551-5400.

Dated: July 15, 2010.

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2010-17661 Filed 7-15-10; 4:15 pm]

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94-409, that the Securities and Exchange Commission will hold an Open Meeting on July 21, 2010 at 10 a.m., in the Auditorium, Room L-002.

The subject matters of the Open Meeting will be:

Item 1: The Commission will consider a recommendation to propose for public comment a new rule and rule and form amendments under the Investment Company Act of 1940, the Securities Act of 1933, and the Securities Exchange Act of 1934, to reform the regulation of distribution fees paid by registered open-end management investment companies ("funds"). The recommended proposal would provide a new framework for how funds currently use their assets to pay for sales and distribution expenses pursuant to rule 12b-1 under the Investment Company Act, and would revise disclosure requirements for transaction confirmations pursuant to rule 10b-10 under the Securities Exchange Act.

Item 2: The Commission will consider whether to adopt amendments to Part 2 of Form ADV and related rules under the Investment Advisers Act of 1940. The amendments would require investment advisers to provide clients with narrative brochures containing plain English descriptions of the advisers' businesses, services, and conflicts of interest. The amendments

also would require advisers to electronically file their brochures with the Commission and the brochures would be available to the public through the Commission's Web site.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact:

The Office of the Secretary at (202) 551-5400.

Dated: July 14, 2010.

Elizabeth M. Murphy,
Secretary.

[FR Doc. 2010-17599 Filed 7-15-10; 11:15 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62478; File No. SR-FICC-2010-02]

Self-Regulatory Organizations; Fixed Income Clearing Corporation; Notice of Filing of Proposed Rule Change To Amend the Rules of the Government Securities Division and the Mortgage-Backed Securities Division To Change the Classification of U.S. Branches or Agencies of Non-U.S. Banks From Foreign to U.S. Members

July 9, 2010.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder² notice is hereby given that on June 24, 2010, Fixed Income Clearing Corporation ("FICC") 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 substantially prepared by FICC. 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 the Substance of the Proposed Rule Change

The purpose of this proposed rule change is to amend the rules of FICC's Government Securities Division ("GSD") and the Mortgage-Backed Securities Division ("MBSD") to change the classification of U.S. branches or agencies of non-U.S. banks from "foreign" to "U.S. members".

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

In its filing with the Commission, FICC 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. FICC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

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

FICC currently classifies as "foreign" its members that are U.S. branches or agencies of non-U.S. banks ("U.S. Branches"). FICC is proposing to amend the rules of the GSD and MBSD to classify such U.S. Branches as U.S. members, based particularly on the rationale that such U.S. Branches are regulated by U.S. and or state regulators. The proposed rule change harmonizes FICC's rules with those of its affiliates, The Depository Trust Company and National Securities Clearing Corporation, which presently classify U.S. branches of foreign banks as domestic members (based on domestic regulation).³

The proposed rule change reflects that the U.S. Branches are regulated by a U.S. regulator and/or state regulator so that an insolvency of such a member would be determined by applicable domestic "ring-fence" laws.⁴ The appropriate domestic regulator treats U.S. Branches as U.S. entities for most significant matters. Under the proposed rule changes, such members will be treated as domestic members for all purposes under FICC's rules and procedures, unless FICC states otherwise in the Rules.⁵

³ This is reflected in Section 2 of DTC's Policy Statements on the Admission of Participants, and Addendum O of NSCC's Rules entitled "Admission of Non-U.S. Entities as Direct NSCC Members".

⁴ In the United States, "ring-fencing" refers to the procedure for dealing with branches of agencies of insolvent foreign banks in the United States pursuant to which the state or federal regulator, as applicable, will seize and administer the local assets of an insolvent institution, with a preference for local creditors, in a liquidation that is separate from the liquidation of the parent foreign bank as a whole.

⁵ For example, if this Rule change is approved such members will no longer be required to submit annual updates to their foreign legal opinions unless FICC deems it necessary to address legal risk. Applicants in this category will, however, continue to be required to submit an initial foreign