Appendix B to Part 1350—General Certifications

State: _____ Fiscal Year: _____

(THIS FORM IS REQUIRED EACH YEAR AND APPLIES TO ALL GRANT CRITERIA)

I hereby certify that the State (or Commonwealth) of _____:

- will use the motorcyclist safety grant funds only for motorcyclist safety training and motorcyclist awareness programs, in accordance with the requirements of section 2010(e) of SAFETEA-LU, Pub. L. 109-59;
- will administer the motorcyclist safety grant funds in accordance with 49 CFR Part 18 and OMB Circular A-87; and
- will maintain its aggregate expenditures from all other sources for motorcyclist safety training programs and motorcyclist awareness programs at or above the average level of such expenditures in fiscal years (FY) 2003 and 2004. (A State may use either Federal or State fiscal years).

_____

Governor's Highway Safety Representative

Date: _____

Issued on: July 14, 2006.

Nicole R. Nason,

Administrator.

[FR Doc. 06–6354 Filed 7–18–06; 8:45 am]

BILLING CODE 4910–59–C

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Parts 250, 251, and 280

RIN 1010–AD23

Oil, Gas, and Sulphur Operations and Leasing in the Outer Continental Shelf (OCS)—Recovery of Costs Related to the Regulation of Oil and Gas Activities on the OCS

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: MMS is implementing regulations which impose new fees to process certain plans, applications, and permits. The service fees will offset MMS's costs of processing these plans, applications, and permits.

DATES: *Effective Date:* This regulation becomes effective on September 1, 2006.

FOR FURTHER INFORMATION CONTACT: Martin Heinze, Program Analyst, Offshore Minerals Management, Office of Planning, Budget and International Affairs at (703) 787–1010.

SUPPLEMENTARY INFORMATION:

Background: Federal agencies are generally authorized to recover the costs of providing services to non-Federal entities through the provisions of the Independent Offices Appropriation Act of 1952 (IOAA), 31 U.S.C. 9701. The Act requires implementation through rulemaking. There are several policy documents that provide MMS guidance on the process of charging applicants for service costs. The governing language concerning cost recovery can be found in OMB Circular No. A–25 which states in part, ''The provisions of this Circular cover all Federal activities that convey special benefits to recipients beyond those accruing to the general public. * * * When a service (or privilege) provides special benefits to an identifiable recipient beyond those that accrue to the general public, a charge will be imposed (to recover the full cost to the Federal Government for providing the special benefit, or the market price). * * * The general policy is that user charges will be instituted through the promulgation of regulations.'' The Department of the Interior (DOI) Manual mirrors this policy (330 DM 1.3 A.).

In this rulemaking, ''cost recovery'' means reimbursement to MMS for its costs of performing a service by charging a fee to the identifiable applicant/beneficiary of the service. Further guidance is provided by Solicitor's Opinion M–36987, ''BLM's Authority to Recover Costs of Minerals Document Processing'' (December 5, 1996). As explained in that Solicitor's Opinion, some costs, such as the costs of programmatic environmental studies and programmatic environmental assessments in support of a general agency program are not recoverable because they create an ''independent public benefit'' rather than a specific benefit to an identifiable recipient.

On March 25, 2005, MMS published an advance notice of proposed rulemaking (ANPR) (70 FR 15246) to solicit comments on the Recovery of Costs Related to the Regulation of Oil and Gas Activities on the OCS. MMS addressed comments received in the ANPR in the proposed rule.

On November 14, 2005, MMS published a proposed rule in the **Federal Register** titled, ''Oil, Gas, and Sulphur Operations and Leasing in the Outer Continental Shelf (OCS)—Recovery of Costs Related to the Regulation of Oil and Gas Activities on the OCS,'' (70 FR 69118). Through the proposed rule, MMS alerted the public that we seek to recover the costs of processing certain permits and applications through the rulemaking process. MMS believes that cost recovery for the MMS-provided service of reviewing and approving applications and permits is warranted because such service provides an identifiable recipient (the applicant) with direct benefits beyond those received by the general public.

The proposed rule invited comments, recommendations, and specific remarks on a program of collecting fees for reviewing the following plans and permit applications regulated by 30 CFR parts 250, 251, and 280:

- Exploration Plan (§ 250.211).
- Development and Production Plan or Development Operations Coordination Document (§ 250.241).
- Deep Water Operations Plan (§ 250.292).
- Conservation Information Document (§ 250.296).
- Application for Permit to Drill (APD; Form MMS–123).
- Application for Permit to Modify (APM; Form MMS–124).
- Facility Production Safety System Applications (installation and modification § 250.802).
- Platform Applications (required by § 250.905 for the installation, modification/repair of a platform).
- New Pipeline Application (Lease Term) § 250.1000.
- Pipeline Application Modification (Lease Term and ROW § 250.1000).
- Pipeline Repair Notification (§ 250.1008).
- Surface Commingling and Measurement Application (§ 250.1204).
- Application to Remove a Platform or Other Facility (required by § 250.1727).
- Application to Decommission a Pipeline (Lease Term and ROW § 250.1751, § 250.1752).
- Application for Permit to Conduct Geological or Geophysical Exploration for Mineral Resources or Scientific Research in the Outer Continental Shelf (Form MMS–327). This was inadvertently listed in the proposed rule, at 70 FR 69121, as Geological and Geophysical (G&G) Permits: Permit for Geophysical Exploration for Mineral Resources or Scientific Research on the Outer Continental Shelf (Form MMS–328); Permit for Geological Exploration for Mineral Resources or Scientific Research on the OCS (Form MMS–329). However, the correct form numbers were used in the actual proposed regulatory language.
- Application for Permit to Conduct Geological or Geophysical Prospecting for Mineral Resources or Scientific Research in the Outer Continental Shelf Related to Minerals Other than Oil, Gas, and Sulphur (Form MMS–134). This was inadvertently listed in the proposed rule, at 70 FR 69121, as Sand and Gravel Permits: Permit for Geophysical Prospecting for Mineral Resources or Scientific Research on the Outer Continental Shelf Related to Minerals Other than Oil, Gas, and Sulphur (Form MMS–135); Permit for Geological Prospecting for Mineral Resources or Scientific Research on the Outer Continental Shelf Related to Minerals Other than Oil, Gas, and Sulphur (Form MMS–136). However, the correct form numbers were used in the actual proposed regulatory language.

Summary of Changes to the Proposed Rule

This final rule differs from the proposed rule published on November 14, 2005 (70 FR 69118), in the following respects:

We added language in the fee table at § 250.125 to clarify that there is no fee for revisions to Exploration Plans, Development and Production Plans, and Development Operations Coordination Documents. We also added to the fee table a definition of the term ''component'' which is used in determining the fee level for New Facility Production Safety System Applications. We also corrected the fee table by inserting the existing fee of $2,350 for Pipeline Right-of-Way (ROW) Grant Applications in place of the lower fee that was erroneously inserted in the table in the proposed rule. The fee was addressed in MMS's final rule published on August 25, 2005 (70 FR 49871), and it was not our intent to revisit this fee, but only make the fee table inclusive of all pertinent fees.

We added a new paragraph (c) to § 250.125 to address how MMS will handle the service fee for the verbal approval of an Application for Permit to Modify (APM) (Form MMS–124). Verbal approvals are occasionally given for an APM. Any action that would be considered a verbal permit approval will require either a paper permit application to follow the verbal approval or an eWell submittal within 72 hours. Payment must be received with the completed application.

We also added a new section (§ 250.126 General payment instructions) which contains general instructions for paying service fees. This section explains how lessees and operators can pay service fees using both electronic funds transfer and non-electronic funds transfer. This section clearly states that electronic funds transfer is the preferred payment method.

We added fee language to § 250.1202(a) and § 250.1203(b) for liquid hydrocarbon and gas measurement applications. In the fee tables in both the preamble (70 FR 69120–69121) and at § 250.125 of the proposed rule, we listed the fees for ''Complex Surface Commingling and Measurement Application'' and ''Simple Surface Commingling and Measurement Application.'' However, while we cited in the tables to the section addressing surface commingling (§ 250.1204) and included the fee language at that section, we inadvertently left out the table citations to the measurement sections (§ 250.1202—Liquid hydrocarbon measurement—and § 250.1203—Gas measurement) and failed to include the fee language at those sections.

We have concluded that the language in the tables in the proposed rule gave sufficient notice of our intent to charge the fees indicated therein for measurement applications. The citation in the tables in the proposed rule to the surface commingling section obviously did not account for our stated intent in the tables to charge the same fee for measurement applications, which are related to surface commingling but are addressed at the two preceding sections, § 250.1202 and § 250.1203. We have concluded that companies that engage in surface commingling and measurement activities are sufficiently aware of these sections that our statements in the tables were sufficient notice of our intent to charge measurement fees.

We moved the definitions of simple and complex applications for surface commingling and measurement actions from § 250.1204(a) to § 250.1202(a), and cross-referenced the definitions in § 250.1203(b) and § 250.1204(a). We also revised the definition of a simple application by removing from the definition the following actions: platform removals; application

cancellations; facility measurement point (FMP) status changes and meter updates. These actions were removed from the definition of simple application because they are not applications and do not require approval. Finally, we have added citations to § 250.1202(a) and § 250.1203(b) in the fee table at § 250.125 for complex and simple surface commingling and measure applications.

We deleted the final sentence from proposed § 251.5 and from proposed § 280.12. The sentences simply stated that the time period for extensions was defined on the permit forms. We concluded that the permit forms are clear and there is no need to detail the content of those forms in the regulations.

Comments on the Proposed Rule

MMS received two comment letters from industry and none from the general public. One letter was from a consortium of eight trade organizations that represents numerous companies involved in the United States (U.S.) oil and gas industry. The other letter was from a large integrated oil and gas operator.

Industry respondents stated that the total of lease bonuses, rentals, and royalty fees paid by industry adequately compensate MMS and the Federal Government for any service provided in the issuance of permits and that the proposed rule seeks to ''double dip.'' Additionally industry respondents stated that the proposed fees seem contrary to the administration's national energy policy. They maintained that every dollar collected by MMS for the processing of applications and permits is a dollar that would not be spent producing energy on the OCS.

MMS works closely with industry to ensure that energy production on the OCS will continue to contribute significantly to the nation's energy supply. For example, MMS provides incentives for industry production of offshore oil and gas, such as royalty relief for deep-water and deep-gas development. The proposed service fees would not affect existing incentives and would only marginally add to the cost of operating offshore.

The relevant mineral leasing law (the Outer Continental Shelf Lands Act (OCSLA)), which granted the Secretary the authority to issue leases offshore on the OCS, was not enacted as a cost recovery mechanism. The monies collected as bonuses, rentals, and royalties under those leases are not intended to compensate the government for administrative costs. They instead reflect the value of the national interest in the resource and property. When a lease is issued, the working interest is conveyed to the lessee(s) to whom it is issued. The government reserves a royalty interest, which is a cost-free share of the production or the value of the production. Under the bidding system that is characteristic of most of the leases, the lessee pays a bonus to obtain the lease that is the result of competitive bidding. During the primary term of a lease and before the lease goes into production (in other words, during the time the lessor is not receiving any benefit from its retained royalty interest), the lessee must pay annual rentals. All of these obligations (royalties, bonus payments, and rentals) reflect the value of the lessor's (*i.e.*, the Federal government's) property interest in the leased minerals. None of these obligations was ever intended to compensate the government for its administrative costs.

In a related remark, industry respondents asserted that a document cited by MMS, OMB Circular No. A–25, provides that new user charges should not be imposed in cases where other revenues from individuals already finance the government services provided to them. The commenter appears to be citing paragraph 7.c. of OMB Circular No. A–25, which addresses excise taxes. The paragraph states that ''[n]ew user charges should not be proposed in cases where an excise tax currently finances the government services that benefit specific individuals'' (giving the example of a gasoline tax to finance highway construction). Royalties, bonus payments, and rentals are not taxes, but payments that reflect the value of the resources. Reference to this paragraph of the OMB Circular is thus inappropriate.

One commenter challenged the methodology for calculating the fees and questioned whether the Fiscal Year 2004 baseline was a typical year, and whether there was outside quality control or auditing conducted over the cost estimation methodology. Additionally, the commenter stated that the inclusion of ''indirect costs'' was not appropriate since MMS would have incurred these costs whether or not a particular application was submitted.

MMS believes that its cost recovery methodology was both reasonable and reliable and that external quality control or auditing was not necessary. MMS began tracking work activities in its financial system in FY 2003, thus FY 2004 was the second full year MMS costed its work activities within its financial system. We used the following guidance documents to determine the full cost of cost recovery activities:

- Statement of Federal Financial Accounting Standards, Managerial Cost Accounting Concepts and Standards for the Federal Government (SFFAS #4);
- OMB Circular A–25; and,
- DOI cost recovery guidance, from the DOI Manual (330 DM 1.3A.).

MMS employees code their time biweekly to work activities in the DOI Quicktime timekeeping system. Managers certify each employee's time each pay period and are responsible for accurate timekeeping. Additionally, MMS managers revalidated employees' time for FY 2004 during the fee calculation phase. When necessary, costs were adjusted if an employee's time was incorrectly coded.

The activity-based costing (ABC) methodology used by MMS is appropriate for our cost recovery needs and operating environment. MMS only included those costs (both direct and indirect) that supported the processing of plans, permits, and other applications. Especially in light of the managerial review of employees' costs, MMS has confidence in the cost data used to calculate the full cost of processing applications in this rule.

The commenter also stated that MMS should not have included indirect costs in the calculation because we would have incurred these indirect costs without the additional marginal cost of a particular application. As discussed above, OMB Circular A–25 directs agencies to recover full costs for providing special benefits. It also explains that ''[f]ull cost includes all direct and indirect costs to any part of the Federal Government of providing a good, resource or service.''

One comment suggested that MMS should improve its cost effectiveness. MMS will continue in its efforts to reduce costs through initiatives such as OCS Connect, a multi-year initiative to automate major business transactions and plan/application/permit reviews, resulting in more timely decisions. If business process changes significantly affect costs, MMS will recalculate its cost of service and propose new fees through the rulemaking process.

One commenter requested a joint MMS-industry working group to address the fee collection process. The joint working group would find the best method to reduce the administrative burden for both MMS and industry. Suggestions included annual or other types of cumulative payments rather than the ''piecemeal approach'' in the proposed rule.

MMS is directed by OMB Circular No. A–25 (section 6.a.2.(c)) to receive

payment in advance of processing an application. Cumulative payments or billing for past work is not possible. To simplify payments, MMS has implemented an online payment system through the U.S. Treasury, called PAY.GOV, for existing fees. This payment system will include the fees in this final rule. For applications submitted electronically through eWell or future e-Gov systems, an interactive credit card or Automated Clearing House (ACH) payment method will be used. The PAY.GOV Web site can be accessed through links on the MMS Offshore webpage at: *http://www.mms.gov/offshore/* or directly through PAY.GOV at: *https://www.pay.gov/paygov/*. In light of these new payment options, MMS does not see the need for a working group at this time. However we are always open to industry suggestions.

One commenter stated that the rule would significantly impact small businesses, including more than 70 percent of the companies that operate on the OCS. The commenter stated that all expenses and fees have business impacts.

The fees paid to MMS for processing actions are directly proportional to the OCS activity by a company. Larger companies generally hold more leases which translates into a greater number of exploration plans, development permits, production, development and conservation activities, designation of operator, lease assignments, Applications for Permit to Drill (APDs), Applications for Permit to Modify (APMs), facility and structure permits, etc.—in short a greater number of activities for which fees will be charged under this rule and thus payment of a larger total number of fees. The smaller companies that operate on the OCS tend to buy already developed leases and generally don't undertake significant exploration activities and they are thus not subject to many of the fees in this rule. Smaller companies tend to engage in both fewer actions and simpler types of actions, thereby incurring fewer fee costs. The most common applications submitted by small businesses have modest fees: APMs ($110), facility permit modifications ($80 to $530) and APDs ($1,850). As explained in the section discussing the Regulatory Flexibility Act, under Procedural Matters in this preamble, the greatest effect of fees in this rule on the offshore revenues of production companies would be less than 0.5 percent, and the effect on the vast majority of companies would be much less than that. In fact the impact on more than 87 percent of companies is estimated to be less than 0.1 percent of OCS revenues.

MMS consulted with the Small Business Administration (SBA) Office of Advocacy about the impact of OCS cost recovery fees. The Office of Advocacy concurred with the MMS assessment that the rule will not have a significant effect on a substantial number of small entities.

A commenter challenged the MMS position that a ''Statement of Energy Effects'' is not needed, pursuant to Executive Order (E.O.) 13211, because MMS does not consider the rule to be a significant energy action. This rule meets none of the criteria for a significant energy action. E.O. 13211 Section 4(b) defines a significant energy action:

''(b) Significant energy action'' means any action by an agency (normally published in the **Federal Register**) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking:

(1)(i) that is a significant regulatory action under E.O. 12866 or any successor order; and,

(ii) is likely to have a significant adverse effect on the supply, distribution, or use of energy; or

(2) that is designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action.

Moreover, E.O. 12866 defines a significant regulatory action, at section 3:

(f) ''Significant regulatory action'' means any regulatory action that is likely to result in a rule that may:

(1) Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in this Executive Order.''

Of the above quoted thresholds, the only one that could potentially be at issue is paragraph (f)(3), regarding user fees. While this rule will have an effect on the level of fees paid to MMS it will not have a material budgetary impact because the agency's overall operating appropriation will not change substantially. As these fees are appropriated for MMS operations, the amount appropriated for those operations from the General Fund of the Treasury are being decreased. Thus, this rule only marginally changes the amount contributing to the MMS appropriation from fees relative to amounts contributing to the appropriation from the General Fund. Therefore, this rule is not a significant regulatory action under E.O. 12866.

This rule also does not meet the additional threshold that must be met to trigger the need for a ''Statement of Energy Effects'' under E.O. 13211, because these fees are not ''likely to have a significant adverse effect on the supply, distribution, or use of energy.'' Compared to the normal costs of operations on the OCS, for example, drilling a well, the fees established in this rule are not significant. MMS' economic analysis showed that the effect of these fees on the offshore revenues of production companies will be under 0.5 percent, and the effect on most companies will be much smaller. These are not amounts that are likely to have an adverse effect on any company's economic standing and, consequently, they are not likely to adversely affect the supply, distribution, or use of energy. Thus a ''Statement of Energy Effects'' is not required.

MMS received inquires on how a component is defined for new and modified facility production safety system applications. The service fee table was modified to include a definition of component. The definition follows the American Petroleum Institute's (API) definition: A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (incorporated by reference as specified in § 250.198). Examples of components are; Wellheads, Flowlines, Injection Lines, Headers, Separators (Pressure Vessels) Atmospheric Vessels, Fired Vessels, Pumps, Compressors, Pipelines, Heat Exchangers, Buildings, as well as the Emergency Support System (Emergency Shutdown Stations, Pneumatic Fusible Element System and/or other electrical based fire detection systems).

Procedural Matters

Regulatory Planning and Review (Executive Order (E.O.) 12866)

This document is not a significant rule as determined by the Office of Management and Budget (OMB) and is not subject to review under E.O. 12866.

(1) This rule would not have an annual effect of $100 million or more on the economy. It would not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or

State, local, or tribal governments or communities. This proposed rule would establish fees based on cost recovery principles. Based on historical filings, we project the fees would raise revenue by approximately $16.5 million annually.

(2) This rule would not create a serious inconsistency or otherwise interfere with action taken or planned by another agency because the costs incurred are for specific MMS services and other agencies are not involved in these aspects of the OCS Program.

(3) This rule would not materially alter the budgetary impact of entitlements, grants, user fees or loan programs or the rights or obligations of their recipients. The only one of these that could potentially be at issue is user fees. While this rule will have an effect on the level of fees paid to MMS, it will not have a material budgetary impact because the agency's overall operating appropriation will not change substantially. As these fees are appropriated for MMS operations, the amount appropriated for those operations from the General Fund of the Treasury are being decreased. Thus, this rule only marginally changes the amount contributing to the MMS appropriation from fees relative to the amounts contributing to the appropriation from the General Fund.

(4) This rule would not raise novel legal or policy issues.

Regulatory Flexibility Act (RFA)

The Department, in consultation with the Office of Advocacy of the Small Business Administration (SBA), determined that this final rule will not have a significant economic effect on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*).

The changes in this final rule will affect lessees and operators of leases and pipeline right-of-way holders on the OCS. This includes approximately 130 active Federal oil and gas lessees and 115 pipeline right-of-way holders. Small lessees that operate under this final rule fall under the SBA's North American Industry Classification System (NAICS) codes 211111, Crude Petroleum and Natural Gas Extraction, and 213111, Drilling Oil and Gas Wells. For these NAICS code classifications, a small company is one with fewer than 500 employees. Based on these criteria, an estimated 70 percent of these companies are considered small. This final rule, therefore, will affect a substantial number of small entities.

The fees proposed in the final rule will not have a significant economic effect on a substantial number of small entities because the fees are small compared to normal costs of doing business on the OCS. For example, depending on water depth and well depth, cost estimates for drilling a well range from $5 million to $23 million. Thus, the proposed fees, ranging from $80 to $24,200, are dwarfed by the millions of dollars that industry already commits to exploration, development, production, and transportation.

MMS conducted an analysis to study the potential impacts of these fees on small entities. MMS charted the 2004 production of all companies operating on the OCS. Using corresponding rolling annual average prices, MMS calculated each company's Federal OCS gross revenues. Using MMS's Technical Information Management System internal database (and other databases) with 2004 company data, plan/application/permit fees were calculated and compared with each company's calculated gross revenue.

With the exception of one company, the fees in this rule would be less than 0.5 percent of the offshore revenues of any production company. The analysis showed that the effects of these fees on the offshore revenues of the vast majority of companies (more than 87 percent) would be less than 0.1 percent. The only exception was for one company for which the analysis indicated an effect of 0.98 percent in 2004. Looking at this company's Federal OCS production and permit/plan activity in 2005 the fee impact would be 0.18 percent. This company's OCS revenues increased by a factor of 4 between 2004 and 2005. We examined the reasons for the projected impact on this company and found that it was new to the Federal OCS. It is engaging in exploration and development activities before producing significant amounts of hydrocarbons. Only a few companies will find themselves in this position and MMS thus expects that the norm will be an impact of under 0.1 percent. Even an impact up to 0.5 percent is not significant compared to the normal cost of operating on the OCS.

MMS cannot project revenue data for most of the 115 pipeline right-of-way holders. However, construction and operation of a pipeline on the OCS requires significant monetary investments and highly sophisticated technical expertise, and yields multimillion dollar revenues. Fees of a few thousand dollars will not significantly impact the finances of companies engaged in these activities. The only new fees for pipeline right-of-way holders in this rule are for pipeline modification ($3,650) and pipeline repair notification ($340). Pipeline right-of-way holders already pay a comparable existing fee of $2,350 for a pipeline grant application. We have concluded that the new fees for pipeline right-of-way holders will not have a significant economic effect on those entities.

Additionally, the service fees established in the rule will apply in a non-discriminatory way to both large and small firms. Applying for MMS services provides a benefit to both a large and small applicant if the applicant decides to operate on the OCS.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the actions of MMS, call 1–888–734–3247. You may comment to SBA without fear of retaliation. Disciplinary action for retaliation by an MMS employee may include suspension or termination from employment with DOI.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This final rule is not a major rule under the SBREFA (5 U.S.C. 804(2)). This final rule:

(a) Will not have an annual effect on the economy of $100 million or more.

(b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

(c) Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. Leasing on the U.S. OCS is limited to residents of the U.S. or companies incorporated in the U.S. This final rule will not change that requirement.

Unfunded Mandates Reform Act (UMRA)

This final rule will not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than $100 million per year. The final rule will not have a significant or unique effect on State, local, or tribal governments or the private sector. A statement containing the information required by the UMRA (2 U.S.C. 1531 *et seq.*) is not required. This is because the final rule will not affect State, local, or tribal governments, and the effect on the private sector is small.

Takings Implication Assessment (TIA) (Executive Order 12630)

The final rule is not a governmental action capable of interference with constitutionally protected property rights. Thus, MMS did not need to prepare a TIA according to E.O. 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

Federalism (Executive Order 13132)

With respect to E.O. 13132, this final rule will not have federalism implications. This final rule will not substantially and directly affect the relationship between the Federal and State governments. To the extent that State and local governments have a role in OCS activities, this final rule will not affect that role.

Civil Justice Reform (Executive Order 12988)

With respect to E.O. 12988, MMS finds that this final rule will not unduly burden the judicial system and does meet the requirements of sections 3(a) and 3(b)(2) of the E.O. MMS consulted with the DOI Office of the Solicitor throughout this drafting process.

Paperwork Reduction Act (PRA)

This rulemaking relates to 30 CFR part 250, subparts A, B, D, E, F, H, I, J, L, P, and Q; 30 CFR part 251; and 30 CFR part 280. The final rulemaking affects the information collections for these regulations but would not change the approved burden hours; it would just add the associated fees. Therefore, OMB has ruled that there is no change in the information collection and that MMS does not need to make a formal submission by Form OMB 83–I for this rulemaking. We will submit Form OMB 83–C to add the fees in each collection when the rule becomes effective.

OMB has approved the information collections for the affected regulations at:

(1) 30 CFR part 250; subpart A, 1010–0114; subpart B, 1010–0151; subpart D, 1010–0141; subpart E, 1010–0067; subpart F, 1010–0043; subpart H, 1010–0059; subpart I, 1010–0149; subpart J, 1010–0050; subpart L 1010–0051; subpart P, 1010–0086, subpart Q, 1010–0142;

(2) 30 CFR part 251, 1010–0048; and

(3) 30 CFR part 280, 1010–0072.

National Environmental Policy Act (NEPA) of 1969

MMS has determined that this final rule is administrative and involves only procedural changes addressing fee requirements. Therefore, it is categorically excluded from environmental review under section 102(2)(C) of the NEPA, pursuant to 516 DM 2.3A and 516 DM 2, Appendix 1, Item 1.10.

In addition, the final rule does not involve any of the 10 extraordinary circumstances for exceptions to categorical exclusions listed in 516 DM 2, Appendix 2. Pursuant to Council on Environmental Quality regulations (40 CFR 1508.4) and the environmental policies and procedures of the DOI, the term 'categorical exclusions' means categories of action which an agency has determined do not individually or cumulatively have a significant effect on the human environment and therefore require neither an environmental assessment nor an environmental impact statement.

Effects on the Nation's Energy Supply (Executive Order 13211)

Executive Order 13211 requires the agency to prepare a Statement of Energy Effects when it takes a regulatory action that is identified as a significant energy action. This final rule is not a significant energy action, and therefore would not require a Statement of Energy Effects because it:

(1) Is not a significant regulatory action under E.O. 12866;

(2) Is not likely to have a significant adverse effect on the supply, distribution, or use of energy; and

(3) Has not been designated by the Administrator of the Office of Information and Regulatory Affairs, OMB, as a significant energy action.

Consultation and Coordination With Indian Tribal Governments (Executive Order 13175)

In accordance with E.O. 13175, this final rule will not have tribal implications that impose substantial direct compliance costs on Indian tribal governments.

List of Subjects

30 CFR Part 250

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Oil and gas exploration, Penalties, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulphur.

30 CFR Part 251

Continental shelf, Freedom of information, Oil and gas exploration, Public lands—mineral resources, Reporting and recordkeeping requirements, Research.

30 CFR Part 280

Continental shelf, Public lands—mineral resources, Reporting and recordkeeping requirements, Research.

Dated: June 16, 2006.

R.M. "Johnnie" Burton,

Director, Minerals Management Service, Exercising the delegated authority of the Assistant Secretary, Land and Minerals Management.

■ For the reasons stated in the preamble, the Minerals Management Service (MMS) amends 30 CFR parts 250, 251, and 280 as follows:

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

■ 1. The authority citation for 30 CFR part 250 continues to read as follows:

Authority: 43 U.S.C. 1331 *et seq.,* 31 U.S.C. 9701.

■ 2. In § 250.125, revise the table in paragraph (a); revise paragraph (b); and add new paragraph (c) to read as follows:

§ 250.125 Service fees.

(a) * * *

SERVICE FEE TABLE

Service—processing of the following	Fee amount	30 CFR citation
Change in Designation of Operator	$150	§ 250.143.
Suspension of Operations/Suspension of Production (SOO/SOP) Request.	$1,800	§ 250.171.
Exploration Plan (EP)	$3,250 for each surface location, no fee for revisions.	§ 250.211.
Development and Production Plan (DPP) or Development Operations Coordination Document (DOCD).	$3,750 for each well proposed, no fee for revisions.	§ 250.241(e).

SERVICE FEE TABLE—Continued

Service—processing of the following	Fee amount	30 CFR citation
Deepwater Operations Plan.	$3,150	§ 250.292(p).
Conservation Information Document	$24,200	§ 250.296(a).
Application for Permit to Drill (APD; Form MMS–123).	$1,850 Initial applications only, no fee for revisions.	§ 250.410(d); § 250.411; § 250.460; § 250.513(b); § 250.515; § 250.1605; § 250.1617(a); § 250.1622.
Application for Permit to Modify (APM; Form MMS–124).	$110	§ 250.460; § 250.465(b); § 250.513(b); § 250.515; § 250.613(b); § 250.615; § 250.1618(a); § 250.1622; § 250.1704(g).
New Facility Production Safety System Application for facility with more than 125 components.	$4,750 A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (incorporated by reference as specified in § 250.198). (Additional fee of $12,500 will be charged if MMS deems it necessary to visit a facility offshore; and $6,500 to visit a facility in a shipyard).	§ 250.802(e).
New Facility Production Safety System Application for facility with 25–125 components.	$1,150 (Additional fee of $7,850 will be charged if MMS deems it necessary to visit a facility offshore; and $4,500 to visit a facility in a shipyard).	§ 250.802(e).
New Facility Production Safety System Application for facility with fewer than 25 components.	$570	§ 250.802(e).
Production Safety System Application—Modification with more than 125 components reviewed.	$530	§ 250.802(e).
Production Safety System Application—Modification with 25–125 components reviewed.	$190	§ 250.802(e).
Production Safety System Application—Modification with fewer than 25 components reviewed.	$80	§ 250.802(e).
Platform Application—Installation—under the Platform Verification Program.	$19,900	§ 250.905(k).
Platform Application—Installation—Fixed Structure Under the Platform Approval Program.	$2,850	§ 250.905(k).
Platform Application—Installation—Caisson/Well Protector.	$1,450	§ 250.905(k).
Platform Application—Modification/Repair	$3,400	§ 250.905(k).
New Pipeline Application (Lease Term)	$3,100	§ 250.1000(b).
Pipeline Application—Modification (Lease Term)	$1,800	§ 250.1000 (b).
Pipeline Application—Modification (ROW)	$3,650	§ 250.1000 (b).
Pipeline Repair Notification.	$340	§ 250.1008 (e).
Pipeline Right-of-Way (ROW) Grant Application	$2,350	§ 250.1015.
Pipeline Conversion of Lease Term to ROW	$200	§ 250.1015.
Pipeline ROW Assignment	$170	§ 250.1018.
500 Feet From Lease/Unit Line Production Request.	$3,300	§ 250.1101.
Gas Cap Production Request	$4,200	§ 250.1101.
Downhole Commingling Request	$4,900	§ 250.1106.
Complex Surface Commingling and Measurement Application.	$3,550	§ 250.1202(a); § 250.1203(b); § 250.1204(a).
Simple Surface Commingling and Measurement Application.	$1,200	§ 250.1202(a); § 250.1203(b); § 250.1204(a).
Voluntary Unitization Proposal or Unit Expansion.	$10,700	§ 250.1303.
Unitization Revision	$760	§ 250.1303.
Application to Remove a Platform or Other Facility.	$4,100	§ 250.1727.
Application to Decommission a Pipeline (Lease Term).	$1,000	§ 250.1751(a) or § 250.1752(a).
Application to Decommission a Pipeline (ROW)	$1,900	§ 250.1751(a) or § 250.1752(a).

(b) Payment of the fees listed in paragraph (a) of this section must accompany the submission of the document for approval or be sent to an office identified by the Regional Director. Once a fee is paid, it is nonrefundable, even if an application or other request is withdrawn. If your application is returned to you as incomplete, you are not required to submit a new fee when you submit the amended application.

(c) Verbal approvals are occasionally given in special circumstances. Any action that will be considered a verbal permit approval requires either a paper permit application to follow the verbal approval or an electronic application submittal within 72 hours. Payment must be made with the completed paper or electronic application.

■ 3. Add a new § 250.126 to read as follows:

§ 250.126 General payment instructions.

(a) *Payment of fees associated with electronic applications*. If you submitted an application through eWell or OCS Connect, you must use the interactive payment feature in that system.

(b) *Payment of fees for applications not submitted electronically*. For applications not submitted electronically through eWell or OCS Connect, MMS prefers you to use credit card or automated clearing house (ACH) payments through the PAY.GOV Web site.

(1) *Payment using PAY.GOV Web site*. The PAY.GOV Web site may be accessed through links on the MMS Offshore Web site at: *http://www.mms.gov/offshore/* homepage or directly through PAY.GOV at: *https://www.pay.gov/paygov/*. If paying by credit card or ACH, you must include a copy of the PAY.GOV confirmation receipt page with your application.

(2) MMS will also accept payments by any of the payment means listed in this section. Your payment must be payable to: ''Department of the Interior—Minerals Management Service'' or ''DOI–MMS'' and must include your MMS company number. MMS prefers that you use these payment documents in the order presented:

(i) Commercial check drawn on a solvent bank;

(ii) Certified check;

(iii) Cashier's check;

(iv) Money order; or

(v) Bank draft drawn on a solvent bank or a Federal Reserve check.

(c) Terms used in this section have the following meanings:

(1) Automated Clearing House or ACH is a type of electronic fund transfer using the ACH network.

(2) PAY.GOV is a U.S. Treasury payment system used by MMS to receive credit card and ACH payments for processing OCS plans, permits, and other related applications or documents.

■ 4. In § 250.198, in the table in paragraph (e), revise the entry for API RP 14C to read as follows:

§ 250.198 Documents incorporated by reference.

* * * * *

(e) * * *

Title of documents	Incorporated by reference at
* * * * *	
API RP 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Seventh Edition, March 2001, API Stock No. G14C07.	§ 250.125(a), § 250.802(b), (e)(2); § 250.803(a), (b)(2)(i), (b)(4), (b)(5)(i), (b)(7), (b)(9)(v), (c)(2); § 250.804(a), (a)(6); § 250.1002(d); § 250.1004(b)(9); § 250.1628(c), (d)(2); § 250.1629(b)(2), (b)(4)(v); and § 250.1630(a).
* * * * * * *	

■ 5. In § 250.211, add a new paragraph (d) to read as follows:

§ 250.211 What must the EP include?

* * * * *

(d) *Service fee*. You must include payment of the service fee listed in § 250.125.

■ 6. In § 250.241, add a new paragraph (e) to read as follows:

§ 250.241 What must the DPP or DOCD include?

* * * * *

(e) *Service fee*. You must include payment of the service fee listed in § 250.125.

■ 7. In § 250.292, revise paragraphs (n) and (o); and add a new paragraph (p) to read as follows:

§ 250.292 What must the DWOP contain?

* * * * *

(n) A discussion of any new technology that affects hydrocarbon recovery systems;

(o) A list of any alternate compliance procedures or departures for which you anticipate requesting approval; and

(p) Payment of the service fee listed in § 250.125.

■ 8. In § 250.296, add the following sentence at the end of paragraph (a):

§ 250.296 When and how must I submit a CID or a revision to a CID?

(a) * * * The submission of your CID must be accompanied by payment of the service fee listed in § 250.125.

* * * * *

■ 9. In § 250.410, revise the introductory paragraph and paragraph (d) to read as follows:

§ 250.410 How do I obtain approval to drill a well?

You must obtain written approval from the District Manager before you begin drilling any well or before you sidetrack, bypass, or deepen a well. To obtain approval, you must:

* * * * *

(d) Submit the following to the District Manager:

(1) An original and two complete copies of Form MMS–123, Application for Permit to Drill (APD), and Form MMS–123S, Supplemental APD Information Sheet;

(2) A separate public information copy of forms MMS–123 and MMS–123S that meets the requirements of § 250.127; and

(3) Payment of the service fee listed in § 250.125.

■ 10. In § 250.465, revise paragraph (b)(1) to read as follows:

§ 250.465 When must I submit an Application for Permit to Modify (APM) or an End of Operations Report to MMS?

* * * * *

(b) * * *

(1) Your APM (Form MMS–124) must contain a detailed statement of the proposed work that would materially change from the approved APD. The submission of your APM must be accompanied by payment of the service fee listed in § 250.125;

* * * * *

■ 11. In § 250.513, revise the last sentence in paragraph (a), the introductory language of paragraph (b), and paragraphs (b)(3) and (b)(4) and adding paragraph (b)(5) to read as follows:

§ 250.513 Approval and reporting of well-completion operations.

(a) * * * If the completion has not been approved or if the completion objective or plans have significantly changed, approval for these operations must be requested on Form MMS–124, Application for Permit to Modify (APM).

(b) You must submit the following with Form MMS–124 (or with Form MMS–123; Form MMS–123S):

* * * * *

(3) For multiple completions, a partial electric log showing the zones proposed

for completion, if logs have not been previously submitted;

(4) When the well-completion is in a zone known to contain H_2S or a zone where the presence of H_2S is unknown, information pursuant to § 250.490 of this part; and

(5) Payment of the service fee listed in § 250.125.

* * * * *

■ 12. In § 250.613, revise the last sentence in paragraph (a), the introductory language of paragraph (b), and paragraphs (b)(2) and (b)(3) and adding paragraph (b)(4) to read as follows:

§ 250.613 Approval and reporting for well-workover operations.

(a) * * * Approval for these operations must be requested on Form MMS–124, Application for Permit to Modify.

(b) You must submit the following with Form MMS–124:

* * * * *

(2) When changes in existing subsurface equipment are proposed, a schematic drawing of the well showing the zone proposed for workover and the workover equipment to be used;

(3) Where the well-workover is in a zone known to contain H_2S or a zone where the presence of H_2S is unknown, information pursuant to § 250.490 of this part; and

(4) Payment of the service fee listed in § 250.125.

* * * * *

■ 13. In § 250.802, add a new paragraph (e)(7) to read as follows:

§ 250.802 Design, installation, and operation of surface production safety systems.

* * * * *

(e) * * *

(7) The service fee listed in § 250.125. The fee you must pay will be determined by the number of components involved in the review and approval process.

■ 14. In § 250.905, revise the introductory language and table headings and add paragraph (k) to the table to read as follows:

§ 250.905 How do I get approval for the installation, modification, or repair of my platform?

The Platform Approval Program requires that you submit the information, documents, and fee listed in the following table for your proposed project.

Required submittal	Required contents	Other requirements
* *	* * *	* *
(k) Payment of the service fee listed in § 250.125.	.....	

■ 15. In § 250.1000, revise paragraph (b) to read as follows:

§ 250.1000 General requirements.

* * * * *

(b) An application must be accompanied by payment of the service fee listed in § 250.125 and submitted to the Regional Supervisor and approval obtained before:

(1) Installation, modification, or abandonment of a lease term pipeline;

(2) Installation or modification of a right-of-way (other than lease term) pipeline; or

(3) Modification or relinquishment of a pipeline right-of way.

* * * * *

■ 16. In § 250.1008, revise paragraph (e) to read as follows:

§ 250.1008 Reports.

* * * * *

(e) The lessee or right-of-way holder must notify the Regional Supervisor before the repair of any pipeline or as soon as practicable. Your notification must be accompanied by payment of the service fee listed in § 250.125. You must submit a detailed report of the repair of a pipeline or pipeline component to the Regional Supervisor within 30 days after the completion of the repairs. In the report you must include the following:

(1) Description of repairs;

(2) Results of pressure test; and

(3) Date returned to service.

* * * * *

■ 17. In § 250.1202, revise paragraph (a)(1) to read as follows:

§ 250.1202 Liquid hydrocarbon measurement.

(a) * * *

(1) Submit a written application to, and obtain approval from, the Regional Supervisor before commencing liquid hydrocarbon production, or making any changes to the previously-approved measurement and/or allocation procedures. Your application (which may also include any relevant gas measurement and surface commingling requests) must be accompanied by payment of the service fee listed in § 250.125. The service fees are divided into two levels based on complexity as shown in the following table.

Application type	Actions
(i) Simple applications	Applications to temporarily reroute production (for a duration not to exceed six months); Production tests prior to pipeline construction; Departures related to meter proving, well testing, or sampling frequency.
(ii) Complex applications	Creation of new facility measurement points (FMPs); Association of leases or units with existing FMPs; Inclusion of production from additional structures; Meter updates which add buy-back gas meters or pigging meters; Other applications which request deviations from the approved allocation procedures.

* * * * *

■ 18. In § 250.1203, revise paragraph (b)(1) to read as follows:

§ 250.1203 Gas measurement.

* * * * *

(b) * * *

(1) Submit a written application to, and obtain approval from, the Regional Supervisor before commencing gas production, or making any changes to

the previously-approved measurement and/or allocation procedures. Your application (which may also include any relevant liquid hydrocarbon measurement and surface commingling requests) must be accompanied by payment of the service fee listed in § 250.125. The service fees are divided into two levels based on complexity, see table in § 250.1202(a)(1).

* * * * *

■ 19. In § 250.1204, revise paragraph (a)(1) to read as follows:

§ 250.1204 Surface commingling.

(a) * * *

(1) Submit a written application to, and obtain approval from, the Regional Supervisor before commencing the commingling of production or making any changes to the previously approved commingling procedures. Your application (which may also include any relevant liquid hydrocarbon and gas measurement requests) must be accompanied by payment of the service fee listed in § 250.125. The service fees are divided into two levels based on complexity, see table in § 250.1202(a)(1).

* * * * *

■ 20. In § 250.1617, revise paragraph (a) to read as follows:

§ 250.1617 Application for permit to drill.

(a) Before drilling a well under an approved Exploration Plan, Development and Production Plan, or Development Operations Coordination Document, you must file Form MMS–123, APD, with the District Manager for approval. The submission of your APD must be accompanied by payment of the service fee listed in § 250.125. Before starting operations, you must receive written approval from the District Manager unless you received oral approval under § 250.140.

* * * * *

■ 21. In § 250.1618, revise the section heading and paragraph (a) to read as follows:

§ 250.1618 Application for permit to modify.

(a) You must submit requests for changes in plans, changes in major drilling equipment, proposals to deepen, sidetrack, complete, workover, or plug back a well, or engage in similar activities to the District Manager on Form MMS–124, Application for Permit to Modify (APM). The submission of your APM must be accompanied by payment of the service fee listed in § 250.125. Before starting operations associated with the change, you must receive written approval from the District Manager unless you received oral approval under § 250.140.

* * * * *

■ 22. In § 250.1704, revise paragraph (g) in the Decommissioning Applications and Reports Table to read as follows:

§ 250.1704 When must I submit decommissioning applications and reports?

* * * * *

DECOMMISSIONING APPLICATIONS AND REPORTS TABLE

Decommissioning applications and reports	When to submit	Instructions
* *	* * *	* *
(g) Form MMS–124, Application for Permit to Modify (APM). The submission of your APM must be accompanied by payment of the service fee listed in § 250.125.	(1) Before you temporarily abandon or permanently plug a well or zone.	Include information required under §§ 250.1712 and 250.1721.
	(2) Within 30 days after you plug a well * * *	Include information required under § 250.1717.
	(3) Before you install a subsea protective device.	Refer to § 250.1722(a).
	(4) Within 30 days after you complete a protective device trawl test.	Include information required under § 250.1722(d).
	(5) Before you remove any casing stub or mud line suspension equipment and any subsea protective device.	Refer to § 250.1723.
	(6) Within 30 days after you complete site clearance verification activities.	Include information required under § 250.1743(a).

■ 23. In § 250.1727, revise the introductory paragraph to read as follows:

§ 250.1727 What information must I include in my final application to remove a platform or other facility?

You must submit to the Regional Supervisor, a final application for approval to remove a platform or other facility. Your application must be accompanied by payment of the service fee listed in § 250.125. If you are proposing to use explosives, provide three copies of the application. If you are not proposing to use explosives, provide two copies of the application. Include the following information in the final removal application, as applicable:

* * * * *

■ 24. In § 250.1751, revise paragraph (a) introductory text to read as follows:

§ 250.1751 How do I decommission a pipeline in place?

* * * * *

(a) Submit a pipeline decommissioning application in triplicate to the Regional Supervisor for approval. Your application must be accompanied by payment of the service fee listed in § 250.125. Your application must include the following information:

* * * * *

■ 25. In § 250.1752, revise the introductory text of paragraph (a) to read as follows:

§ 250.1752 How do I remove a pipeline?

* * * * *

(a) Submit a pipeline removal application in triplicate to the Regional Supervisor for approval. Your application must be accompanied by payment of the service fee listed in § 250.125. Your application must include the following information:

* * * * *

PART 251—GEOLOGICAL AND GEOPHYSICAL (G&G) EXPLORATIONS OF THE OUTER CONTINENTAL SHELF

■ 26. The authority citation for part 251 is revised to read as follows:

Authority: 43 U.S.C. 1331 *et seq.*, 31 U.S.C. 9701.

■ 27. In § 251.5, revise paragraph (a) to read as follows:

§ 251.5 Applying for permits or filing Notices.

(a) *Permits.* You must submit a signed original and three copies of the MMS permit application form (Form MMS–327). The form includes names of persons, type, location, purpose, and

dates of activity, and environmental and other information. A nonrefundable service fee of $1,900 must accompany your application.

* * * * *

PART 280—PROSPECTING FOR MINERALS OTHER THAN OIL, GAS, AND SULPHUR ON THE OUTER CONTINENTAL SHELF

■ 28. The authority citation for part 280 is revised to read as follows:

Authority: 43 U.S.C. 1331 *et seq.,* 42 U.S.C. 4332 *et seq.,* 31 U.S.C. 9701.

■ 29. In § 280.12, revise paragraph (a) to read as follows:

§ 280.12 What must I include in my application or notification?

(a) *Permits.* You must submit to the Regional Director a signed original and three copies of the permit application form (Form MMS–134) at least 30 days before the startup date for activities in the permit area. If unusual circumstances prevent you from meeting this deadline, you must immediately contact the Regional Director to arrange an acceptable deadline. The form includes names of persons, type, location, purpose, and dates of activity, as well as environmental and other information. A nonrefundable service fee of $ 1,900 must accompany your application.

* * * * *

[FR Doc. E6–11405 Filed 7–18–06; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[CGD05–06–043]

RIN 1625–AA08

Special Local Regulations for Marine Events; Patapsco River, Inner Harbor, Baltimore, MD

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing special local regulations during the ''Catholic Charities Dragon Boat Races'', a marine event to be held September 9, 2006 on the waters of the Patapsco River, Inner Harbor, Baltimore, MD. These special local regulations are necessary to provide for the safety of life on navigable waters during the event. This action is intended to temporarily restrict vessel traffic in a portion of the Baltimore Inner Harbor during the event.

DATES: This rule is effective from 5:30 a.m. to 6:30 p.m. on September 9, 2006.

ADDRESSES: Documents indicated in this preamble as being available in the docket, are part of docket (CGD05–06–043) and are available for inspection or copying at Commander (dpi), Fifth Coast Guard District, 431 Crawford Street, Portsmouth, Virginia 23704–5004, between 9 a.m. and 2 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Dennis Sens, Project Manager, Fifth Coast Guard District, Inspections and Investigations Branch, at (757) 398–6204.

SUPPLEMENTARY INFORMATION:

Regulatory Information

On May 4, 2006, we published a notice of proposed rulemaking (NPRM) entitled Special Local Regulations for Marine Events; Patapsco River, Inner Harbor, Baltimore, MD in the **Federal Register** (71 FR 26285). We received no letters commenting on the proposed rule. No public meeting was requested, and none was held.

Background and Purpose

On September 9, 2006, Associated Catholic Charities, Inc. will sponsor Dragon Boat Races in the Inner Harbor at Baltimore, MD. The event will consist of 40 teams rowing Chinese Dragon Boats in heats of 2 to 4 boats for a distance of 400 meters. Due to the need for vessel control during the event, the Coast Guard will temporarily restrict vessel traffic in the event area to provide for the safety of participants, spectators and other transiting vessels.

Discussion of Comments and Changes

The Coast Guard did not receive comments in response to the notice of proposed rulemaking (NPRM) published in the **Federal Register**. Accordingly, the Coast Guard is establishing temporary special local regulations on specified waters of the Patapsco River, Inner Harbor, Baltimore, Maryland.

Regulatory Evaluation

This rule is not a ''significant regulatory action'' under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order. It is not ''significant'' under the regulatory policies and procedures of the Department of Homeland Security (DHS).

We expect the economic impact of this rule to be so minimal that a full Regulatory Evaluation under the regulatory policies and procedures of DHS is unnecessary. Although this regulation will prevent traffic from transiting a portion of the Baltimore Inner Harbor during the event, the effect of this regulation will not be significant due to the limited duration that the regulated area will be in effect and the extensive advance notifications that will be made to the maritime community via the Local Notice to Mariners, marine information broadcasts, and area newspapers, so mariners can adjust their plans accordingly. Additionally, the regulated area has been narrowly tailored to impose the least impact on general navigation yet provide the level of safety deemed necessary. Vessel traffic will be able to transit the regulated area at slow speed between heats, when the Coast Guard Patrol Commander deems it is safe to do so.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601–612), we have considered whether this rule would have a significant economic impact on a substantial number of small entities. The term ''small entities'' comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard certifies under 5 U.S.C. 605(b) that this rule would not have a significant economic impact on a substantial number of small entities. This rule would affect the following entities, some of which might be small entities: the owners or operators of vessels intending to transit or anchor in the affected portions of the Baltimore Inner Harbor during the event.

Although this regulation prevents traffic from transiting a portion of the Baltimore Inner Harbor during the event, this rule would not have a significant economic impact on a substantial number of small entities for the following reasons. This rule would be in effect for only a limited period. Vessel traffic will be able to transit the regulated area between heats, when the Coast Guard Patrol Commander deems it is safe to do so. Before the enforcement period, we will issue maritime advisories so mariners can adjust their plans accordingly.