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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0570; Directorate Identifier 2013–NM–094–AD; Amendment 39–18201; AD 2015–14–03]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), Department of Transportation (DOT).

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Bombardier, Inc. Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes. This AD was prompted by fuel system reviews conducted by the manufacturer. This AD requires revising the maintenance or inspection program, as applicable, to incorporate new limitations for fuel tank systems. We are issuing this AD to prevent potential ignition sources within the fuel system, which could result in a fuel tank explosion.

DATES: This AD becomes effective August 21, 2015.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of August 21, 2015.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2014-0570* or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone: 416–375–4000; fax: 416–375–4539; email: *thd.qseries@aero.bombardier.com;* Internet *http://www.bombardier.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221. It is also available on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0570.

FOR FURTHER INFORMATION CONTACT: Morton Lee, Aerospace Engineer, Propulsion & Services Branch, ANE–173; FAA, New York Aircraft Certification Office (ACO), 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516–228–7355; fax: 516–794–5531.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain Bombardier, Inc. Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes. The NPRM published in the **Federal Register** on August 18, 2014 (79 FR 48703).

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2007–32R2, dated June 27, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition on certain Bombardier, Inc. Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes. The MCAI states:

> Bombardier Aerospace has completed a system safety review of the aeroplanes fuel system against fuel tank safety standards * * *. The identified non-compliances were then assessed * * *, to determine if mandatory corrective action is required.
>
> The assessment showed that supplemental maintenance tasks are required to prevent potential ignition sources within the fuel system, which could result in a fuel tank explosion. Revisions have been made to Part 2 ''Airworthiness Limitations List'' of the DHC–8 Maintenance Program Manuals to introduce the required maintenance tasks.
>
> Revision 1 of this [Canadian] AD was issued to clarify the phase-in schedule for tasks FSL–02 and FSL–17.
>
> Revision 2 of this [Canadian] AD is issued to correct the effective date of [Canadian] AD CF–2013–07 [*http://www.casa.gov.au/scripts/nc.dll?WCMS:OLDASSET::svPath=/ADFiles/over/dhc-8/,svFileName=CF-2013-07.pdf*] referenced in Part III of the Corrective Actions and to clarify the revised phase-in schedules in Part II and Part III of the Corrective Actions.

You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2014-0570-0002.*

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (79 FR 48703, August 18, 2014) or on the determination of the cost to the public.

Changes to This Final Rule

Since the NPRM (79 FR 48703, August 18, 2014) was published, the information in Bombardier Temporary Revision (TR) AWL–110, dated August 31, 2007, to Part 2, ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, Product Support Manual PSM 1–8–7, has been merged in Subject 5–FSL of Section 5, ''Fuel System Limitations,'' of the ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, PSM 1–8–7, Revision 18, dated February 23, 2012. We have removed paragraph (g)(1) of the proposed AD that referred to Bombardier TR AWL–110, dated August 31, 2007, to Part 2, ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, Product Support Manual PSM 1–8–7, and we have redesignated paragraph (g)(2) of the proposed AD as paragraph (g)(1) of this AD. We have also added new paragraph (g)(5) of this AD to refer to Subject 5–FSL of Section 5, ''Fuel System Limitations,'' of the ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, PSM 1–8–7, Revision 18, dated February 23, 2012.

We have included a new paragraph (j) in this AD to provide credit for accomplishing the revision to the maintenance or inspection program, as

applicable, to incorporate new limitations for fuel tank systems before the effective date of this AD using Bombardier TR AWL–110, dated August 31, 2007, to Part 2, ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, Product Support Manual PSM 1–8–7. The subsequent paragraphs have been redesignated accordingly.

Since the NPRM (79 FR 48703, August 18, 2014) was published, we also received Bombardier TR AWL 2–47, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7, which supersedes Bombardier TR AWL 2–43, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7. We have added paragraph (g)(2) of this AD to refer to Bombardier TR AWL 2–47, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7, as an appropriate source of service information to accomplish the revision required by paragraph (g) of this AD.

Furthermore, we also received Bombardier TR AWL 3–117, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7, which supersedes Bombardier TR AWL 3–109, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7. We have added paragraph (g)(4) of this AD to refer to Bombardier TR AWL 3–117, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7, as an appropriate source of service information to accomplish the revision required by paragraph (g) of this AD.

Conclusion

We reviewed the relevant data and determined that air safety and the public interest require adopting this AD with the changes described previously and minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM (79 FR 48703, August 18, 2014) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (79 FR 48703, August 18, 2014).

Related Service Information Under 1 CFR Part 51

Bombardier, Inc. has issued the following service information:

- Bombardier Temporary Revision AWL 2–43, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.
- Bombardier Temporary Revision AWL 2–47, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.
- Bombardier Temporary Revision AWL 3–109, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.
- Bombardier Temporary Revision AWL 3–117, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.
- Subject 5–FSL of Section 5, ''Fuel System Limitations,'' of the ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, PSM 1–8–7, Revision 18, dated February 23, 2012.

The service information describes revising the maintenance or inspection program to incorporate new limitations for fuel tank systems. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the **ADDRESSES** section of this AD.

Costs of Compliance

We estimate that this AD affects 122 airplanes of U.S. registry.

We also estimate that it will take about 1 work-hour per product to comply with the basic requirements of this AD. The average labor rate is $85 per work-hour. Based on these figures, we estimate the cost of this AD on U.S. operators to be $10,370, or $85 per product.

Authority for This Rulemaking

Title 49 of the United States Code specifies the FAA's authority to issue rules on aviation safety. Subtitle I, section 106, describes the authority of the FAA Administrator. ''Subtitle VII: Aviation Programs,'' describes in more detail the scope of the Agency's authority.

We are issuing this rulemaking under the authority described in ''Subtitle VII, Part A, Subpart III, Section 44701: General requirements.'' Under that section, Congress charges the FAA with promoting safe flight of civil aircraft in air commerce by prescribing regulations for practices, methods, and procedures the Administrator finds necessary for safety in air commerce. This regulation is within the scope of that authority because it addresses an unsafe condition that is likely to exist or develop on products identified in this rulemaking action.

Regulatory Findings

We determined that this AD will not have federalism implications under Executive Order 13132. This AD will not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government.

For the reasons discussed above, I certify that this AD:

1. Is not a ''significant regulatory action'' under Executive Order 12866;
2. Is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);
3. Will not affect intrastate aviation in Alaska; and
4. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA–2014–0570;* or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends 14 CFR part 39 as follows:

PART 39—AIRWORTHINESS DIRECTIVES

■ 1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by adding the following new airworthiness directive (AD):

2015–14–03 Bombardier, Inc.: Amendment 39–18201. Docket No. FAA–2014–0570; Directorate Identifier 2013–NM–094–AD.

(a) Effective Date

This AD becomes effective August 21, 2015.

(b) Affected ADs

This AD affects AD 2008–13–09, Amendment 39–15572 (73 FR 47029, August 13, 2008).

(c) Applicability

This AD applies to Bombardier, Inc. Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes, certificated in any category, serial numbers (S/N) 003 through 624 inclusive, and 626.

(d) Subject

Air Transport Association (ATA) of America Code 28, Fuel.

(e) Reason

This AD was prompted by fuel system reviews conducted by the manufacturer. We are issuing this AD to prevent potential ignition sources within the fuel system, which could result in a fuel tank explosion.

(f) Compliance

Comply with this AD within the compliance times specified, unless already done.

(g) Maintenance or Inspection Program Revision

Within 30 days after the effective date of this AD, revise the maintenance or inspection program, as applicable, to include fuel system limitation (FSL) Task Numbers FSL–02, ''Detailed Inspection of the Fuel Tank Bonding Jumpers''; and FSL–17, ''Functional Check of the Fuel Tank Components and the Plumbing Lines Electrical Bonding''; as specified in the applicable service information identified in paragraphs (g)(1) through (g)(5) of this AD. The initial compliance times for accomplishing the tasks are specified in paragraphs (h)(1), (h)(2), and (h)(3) of this AD. Doing this revision terminates the requirements of paragraph (f) of AD 2008–13–09, Amendment 39–15572 (73 FR 47029, August 13, 2008), for Task Numbers FSL–02 and FSL–17 only.

(1) Bombardier Temporary Revision AWL 2–43, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.

(2) Bombardier Temporary Revision AWL 2–47, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.

(3) Bombardier Temporary Revision AWL 3–109, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.

(4) Bombardier Temporary Revision AWL 3–117, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.

(5) Subject 5–FSL of Section 5, ''Fuel System Limitations,'' of the ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, PSM 1–8–7, Revision 18, dated February 23, 2012.

(h) Phase-in Compliance Times

For airplanes having S/Ns 003 through 624 inclusive, and S/N 626, the initial compliance times are specified in paragraphs (h)(1), (h)(2), and (h)(3) of this AD, as applicable.

(1) For airplanes having S/Ns 003 through 624 inclusive on which the applicable modification summaries (ModSums) specified in paragraphs (h)(1)(i), (h)(1)(ii), and (h)(1)(iii) of this AD have been incorporated before the effective date of this AD: The compliance time for the initial inspection in FSL Task Number FSL–02, ''Detailed Inspection of the Fuel Tank Bonding Jumpers''; and the initial functional check in FSL Task Number FSL–17, ''Functional Check of the Fuel Tank Components and the Plumbing Lines Electrical Bonding''; is within 6,000 flight hours or 36 months after the effective date of this AD, whichever occurs first. Airplane configurations can be a combination of the configurations specified in paragraphs (h)(1)(i), (h)(1)(ii), and (h)(1)(iii) of this AD.

(i) For airplanes having S/Ns 003 through 624 inclusive: Bombardier ModSum Package 8Q101512, Revision G, dated June 10, 2009; and Bombardier ModSum Package 8Q101865, Revision B, dated May 26, 2008.

(ii) For airplanes having S/Ns 003 through 624 inclusive with auxiliary power unit (APU) option: Bombardier ModSum Package 8Q902144, Revision E, dated June 17, 2009.

(iii) For airplanes having S/Ns 003 through 624 inclusive with a long-range fuel system installed: Bombardier ModSum Package 8Q902091, Revision C, dated December 22, 2006.

(2) For airplanes having S/Ns 003 through 624 inclusive on which the applicable ModSum packages specified in paragraphs (h)(1)(i), (h)(1)(ii), and (h)(1)(iii) of this AD have not been incorporated before the effective date of this AD: The compliance time for the initial inspection in FSL Task Number FSL–02, ''Detailed Inspection of the Fuel Tank Bonding Jumpers''; and the initial functional check in FSL Task Number FSL–17, ''Functional Check of the Fuel Tank Components and the Plumbing Lines Electrical Bonding''; is before further flight after incorporation of all applicable ModSum packages specified in paragraphs (h)(1)(i), (h)(1)(ii), and (h)(1)(iii) of this AD. Airplane configurations can be a combination of the configurations specified in paragraphs (h)(1)(i), (h)(1)(ii), and (h)(1)(iii) of this AD.

(3) For the airplane having serial number 626: The initial compliance time is at the applicable time specified in paragraph (h)(3)(i) or (h)(3)(ii) of this AD.

(i) If Bombardier ModSum Package 8Q902091, Revision C, dated December 22, 2006, has been accomplished before the effective date of this AD: The compliance time for doing the initial inspection specified in FSL Task Number FSL–02, ''Detailed Inspection of the Fuel Tank Bonding Jumpers''; and the initial functional check specified in FSL Task Number FSL–17, ''Functional Check of the Fuel Tank Components and the Plumbing Lines Electrical Bonding''; is within 6,000 flight hours or within 36 months after the effective date of this AD, whichever occurs first.

(ii) If Bombardier ModSum Package 8Q902091 Revision C, dated December 22, 2006, has not been accomplished before the effective date of this AD: The compliance time for doing the initial inspection in FSL Task Number FSL–02, ''Detailed Inspection of the Fuel Tank Bonding Jumpers''; and the initial functional check in FSL Task Number FSL–17, ''Functional Check of the Fuel Tank Components and the Plumbing Lines Electrical Bonding''; is before further flight after accomplishment of Bombardier ModSum Package 8Q901091.

(i) No Alternative Actions, Intervals, and/or Critical Design Configuration Control Limitations (CDCCLs)

After accomplishing the revision required by paragraph (g) of this AD, no alternative actions (*e.g.,* inspections), intervals, and/or CDCCLs may be used unless the actions, intervals, and/or CDCCLs are approved as an alternative method of compliance (AMOC) in accordance with the procedures specified in paragraph (k) of this AD.

(j) Credit for Previous Actions

This paragraph provides credit for actions required by paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Bombardier TR AWL–110, dated August 31, 2007, to Part 2, ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, Product Support Manual PSM 1–8–7, which is not incorporated by reference in this AD.

(k) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York Aircraft Certification Office (ACO), ANE–170, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516–228–7300; fax: 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/

certificate holding district office. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO, ANE–170, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier, Inc.'s TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(l) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2007–32R2, dated June 27, 2013, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2014-0570-0002.*

(2) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (m)(3) and (m)(4) of this AD.

(m) Material Incorporated by Reference

(1) The Director of the Federal Register approved the incorporation by reference (IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

(2) You must use this service information as applicable to do the actions required by this AD, unless this AD specifies otherwise.

(i) Bombardier Temporary Revision AWL 2–43, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.

(ii) Bombardier Temporary Revision AWL 2–47, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 200 Maintenance Program Manual, PSM 1–82–7.

(iii) Bombardier Temporary Revision AWL 3–109, dated August 31, 2007, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.

(iv) Bombardier Temporary Revision AWL 3–117, dated February 16, 2011, to Part 2, ''Airworthiness Limitations,'' of the Bombardier Dash 8 Series 300 Maintenance Program Manual, PSM 1–83–7.

(v) Subject 5–FSL of Section 5, ''Fuel System Limitations,'' of the ''Airworthiness Limitations List,'' of the Bombardier Dash 8 Series 100 Maintenance Program Manual, PSM 1–8–7, Revision 18, dated February 23, 2012.

(3) For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@aero.bombardier.com;* Internet *http://www.bombardier.com.*

(4) You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 29, 2015.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2015–16580 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–13–P

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1251

[Docket No. CPSC–2011–0081]

Toys: Determination Regarding Heavy Elements Limits for Unfinished and Untreated Wood

AGENCY: U.S. Consumer Product Safety Commission.

ACTION: Direct final rule.

SUMMARY: The Consumer Product Safety Commission (''Commission,'' or ''CPSC'') is issuing a direct final rule determining that unfinished and untreated trunk wood does not contain heavy elements that would exceed the limits specified in the Commission's toy standard, ASTM F963–11. Based on this determination, unfinished and untreated wood in toys does not require third party testing for the heavy element limits in ASTM F963.

DATES: The rule is effective on September 15, 2015, unless we receive a significant adverse comment by August 17, 2015. If we receive a timely significant adverse comment, we will publish notification in the **Federal Register**, withdrawing this direct final rule before its effective date.

ADDRESSES: You may submit comments, identified by Docket No. CPSC–2011–0081, by any of the following methods:

Electronic Submissions: Submit electronic comments to the Federal eRulemaking Portal at: *www.regulations.gov.* Follow the instructions for submitting comments. The Commission does not accept comments submitted by electronic mail (email), except through *www.regulations.gov.* The Commission encourages you to submit electronic comments by using the Federal eRulemaking Portal, as described above.

Written Submissions: Submit written submissions by mail/hand delivery/courier to: Office of the Secretary, Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814; telephone (301) 504–7923.

Instructions: All submissions received must include the agency name and docket number for this notice. All comments received may be posted without change, including any personal identifiers, contact information, or other personal information provided, to: *www.regulations.gov.* Do not submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. If furnished at all, such information should be submitted in writing.

Docket: For access to the docket to read background documents or comments received, go to: *www.regulations.gov,* and insert the docket number CPSC–2011–0081, into the ''Search'' box, and follow the prompts.

FOR FURTHER INFORMATION CONTACT: Randy Butturini, Project Manager, Office of Hazard Identification and Reduction U.S. Consumer Product Safety Commission, 4330 East West Hwy, Room 814, Bethesda, MD 20814; 301–504–7562: email; *rbutturini@cpsc.gov.*

SUPPLEMENTARY INFORMATION:

A. Background

1. Third Party Testing

Section 14(a) of the Consumer Product Safety Act, (''CPSA''), as amended by the Consumer Product Safety Improvement Act of 2008 (''CPSIA''), requires that manufacturers of products subject to a consumer product safety rule or similar rule, ban, standard or regulation enforced by the CPSC must certify that the product complies with all applicable CPSC-enforced requirements. 15 U.S.C. 2063(a). For children's products, certification must be based on testing conducted by a CPSC-accepted third party conformity assessment body. *Id.* Pub. L. 112–28 (August 12, 2011), directed the CPSC to seek comment on ''opportunities to reduce the cost of third party testing requirements consistent with assuring compliance with any applicable consumer product safety rule, ban, standard, or regulation.'' In response to Pub. L. 112–28, the Commission published in the **Federal Register** a Request for Comment (''RFC''). *See http://www.cpsc.gov//PageFiles/103251/3ptreduce.pdf.* As directed by the Commission, staff submitted a briefing package to the Commission that described opportunities that the Commission

could pursue to potentially reduce the third party testing costs consistent with assuring compliance. *See http://www.cpsc.gov/PageFiles/129398/reduce3pt.pdf.*

In addition to soliciting and reviewing comments as required by Pub. L. 112–28, the Commission published in the **Federal Register** on April 16, 2013 a Request for Information (''RFI'') on four potential opportunities to reduce testing burdens. *See http://www.gpo.gov/fdsys/pkg/FR-2013-04-16/pdf/2013-08858.pdf.* In February 2014, the Commission also published a notice in the **Federal Register** of a CPSC workshop on potential ways to reduce third party testing costs through determinations consistent with assuring compliance. *See http://www.gpo.gov/fdsys/pkg/FR-2014-02-27/pdf/2014-04265.pdf.* The workshop was held on April 3, 2014.

As discussed further in this preamble, if the Commission determines that, due to the nature of a particular material, children's products made of that material will comply with CPSC's requirements with a high degree of assurance, manufacturers do not need to have those materials tested by a third party conformity assessment body.

2. CPSC's Toy Standard

Section 106 of the CPSIA states that the provisions of ASTM International (''ASTM''), *Consumer Safety Specifications for Toy Safety* (''ASTM F963'' or ''toy standard''), ''shall be considered to be consumer product safety standards issued by the Commission under section 9 of the CPSA (15 U.S.C. 2058).'' [1] Thus, toys subject to ASTM F963–11, the current mandatory version of the standard, must be tested by a CPSC-accepted third party conformity assessment body and demonstrate compliance with all applicable CPSC requirements for the manufacturer to issue a Children's Product Certificate (''CPC'') before the toys can be entered into commerce.

The toy standard has numerous requirements. Among them, section 4.3.5 requires that surface coating materials and accessible substrates of toys [2] that can be sucked, mouthed, or ingested, comply with the solubility limits on eight heavy elements. (We refer to these elements as the ''ASTM heavy elements.'') One of the eight ASTM heavy elements is lead. The Commission previously determined that certain materials do not exceed lead content limits, and therefore, those materials do not require third party testing when used in children's products (including toys). 16 CFR 1500.91. Thus, CPSC staff focused its work on the remaining seven ASTM heavy elements. The eight ASTM heavy elements and their solubility limits are shown below.

TABLE 1—MAXIMUM SOLUBLE MIGRATED ELEMENT IN PARTS-PER-MILLION FOR SURFACE COATINGS AND SUBSTRATES INCLUDED AS PART OF A TOY

Element	Solubility limit, parts per million, (''ppm'') [3]
Antimony, (''Sb'')	60
Arsenic, (''As'')	25
Barium, (''Ba'')	1000
Cadmium, (''Cd'')	75
Chromium, (''Cr'')	60
Lead, (''Pb'')	90
Mercury, (''Hg'')	60
Selenium, (''Se'')	500

3. Possible Determinations Regarding the ASTM Heavy Elements

For some materials, the concentrations of all the listed heavy elements might always be below their respective solubility limits due to biological, manufacturing, or other constraints. For example, one of the specified elements may be sequestered in a portion of a plant, such as the roots, that is not used in textile manufacturing. Additionally, a manufacturing process step may remove a specified element, if the element is present, from the material being processed. For these materials, compliance with the limits stated in section 4.3.5 of ASTM F963–11 is assured without requiring third party testing because the material is intrinsically compliant.

The third party testing burden could only be reduced if all heavy elements listed in section 4.3.5 have concentrations below their solubility limits. Because third party conformity assessment bodies typically run one test for all of the ASTM heavy elements, no testing burden reduction would be achieved if any one of the heavy elements requires testing.

B. Contractor's Research

1. Overview

CPSC hired a contractor to conduct a literature search to assess whether the Commission potentially could determine that wood and other natural materials do not contain any of the seven specified heavy elements in concentrations above the ASTM F963–11 maximum solubility limits (excluding the eighth element, lead which is already subject to a determination). The contractor researched the following materials:

- Unfinished and untreated wood (ash, beech, birch, cherry, maple, oak, pine, poplar, and walnut);
- Bamboo;
- Beeswax;
- Undyed and untreated fibers and textiles (cotton, wool, linen, and silk); and
- Uncoated or coated paper (wood or other cellulosic fiber).

Staff chose these materials for research because they met two criteria:

- Materials the Commission previously determined not to contain lead in concentrations above 100 ppm; and
- Materials more likely to be used in toys subject to the ASTM F963–11 solubility limits.

The contractor's report is available on the Commission's Web site at: *http://www.cpsc.gov//Global/Research-and-Statistics/Technical-Reports/Toys/TERAReportASTMElements.pdf.* CPSC staff reviewed the contractor's report and prepared a briefing package providing recommendations to the Commission. The staff's briefing package is also available on the Commission's Web site. *http://www.cpsc.gov//Global/Newsroom/FOIA/CommissionBriefingPackages/2015/DFRandNPRDeterminationsontheASTMElementsUnfinishedWoods%20June302015.pdf.*

In conducting this research, the contractor considered the following factors:

- The concentrations of the seven heavy elements in the material under study;
- The presence and concentrations of the elements in the environmental

[1] ASTM F963–11 is a consumer product safety standard, except for section 4.2 and Annex 4, or any provision that restates or incorporates an existing mandatory standard or ban promulgated by the Commission or by statute.

[2] ASTM F963–11 contains the following note regarding the scope of the solubility requirement: NOTE 3—For the purposes of this requirement, the following criteria are considered reasonably appropriate for the classification of toys or parts likely to be sucked, mouthed or ingested: *(1)* All toy parts intended to be mouthed or contact food or drink, components of toys which are cosmetics, and components of writing instruments categorized as toys; *(2)* Toys intended for children less than 6 years of age, that is, all accessible parts and components where there is a probability that those parts and components may come into contact with the mouth.

[3] The method to assess the solubility of a listed element is detailed in section 8.3.2, *Method to Dissolve Soluble Matter for Surface Coatings*, of ASTM F963–11. Modeling clays included as part of a toy have different solubility limits for several of the elements.

media (*e.g.*, soil, water, air), and in the base materials for the textiles and paper;

- Whether processing has the potential to introduce any of the seven heavy elements into the material under study; and
- The potential for contamination after production, such as through packaging.

The contractor examined secondary sources and reviewed articles to identify the available data regarding the elements' concentrations in the materials listed above. The contractor summarized the relevant data on bioavailability and presence/concentrations in environmental media (*i.e.*, soil, air, and water) from the most recent Agency for Toxic Substances and Disease Registry (''ATSDR'')[4] toxicological profile, supplemented with more recent authoritative reviews. The contractor conducted a literature search for data on concentrations of the chemical elements in each of the specific materials. Potentially relevant papers for information on concentrations of chemical elements in each product were identified and reviewed. The contractor used the references from reviewed articles to identify other articles to examine and used the references in those articles to find other sources recursively, to uncover relevant cited references.[5] The literature screening was to examine whether there is a potential for an ASTM heavy element to be present in the natural material at levels above its solubility limit. When the contractor determined there was sufficient information to indicate the potential for an ASTM heavy element to be present, the contractor stopped that particular line of inquiry and reported the results.

As discussed in the staff's briefing package, the contractor's report does not support a Commission determination for any material other than unfinished and untreated wood. The literature reviewed by the contractor did not provide sufficient information to determine that any of the reviewed materials, other than unfinished and untreated wood, do not contain the heavy elements in concentrations above the limits stated in the toy standard.

2. Findings Regarding Wood

Of the materials reviewed, the contractor identified the most studies for wood. Although the contractor could not examine every study concerning wood, the contractor reported that the studies examined constitute a representative sample of studies. The contractor studied measurements taken from trees in natural settings, samples from trees grown on contaminated soils, hydroponically grown[6] seedlings, experimental studies with seedlings grown in pots in which the soil had some of the elements intentionally added, and seedlings soaked in solutions containing one or more of the ASTM heavy elements.

The contractor examined measurements on roots, shoots, bark, trunks, branches, and leaves (or needles, for evergreens). Not every study conducted measurements on each part of the tree. Many studies showed concentrations of the ASTM heavy elements at levels below their solubility limits.

Antimony. For antimony, the studies examined showed that roots, shoots, branches, and leaves contained antimony in concentrations greater than the ASTM solubility limit of 60 ppm. No tree trunks showed antimony concentrations above the ASTM solubility limit. One study's measurements of tree trunks showed that the trunks were nearly free of antimony.

Arsenic. For arsenic, trunks, roots shoots, leaves, stems, bark, and branches of trees were characterized. An experimental study showed roots with more than 25 ppm arsenic. A study at a contaminated mining site showed roots, branches, leaves/needles, and shoots with arsenic concentrations above the ASTM solubility limit. However, no tree trunk measurement showed arsenic in concentrations above 25 ppm. In the two tested cases, tree trunks contained only trace levels of arsenic (levels well below the solubility limit).

One study measured levels of arsenic in sawdust sampled from 15 sawmill locations in the Sapele metropolis (a port city in Nigeria). The highest arsenic concentration measured was 93.0 ppm. The study's authors did not specify what types of trees or wood were processed at the sawmills. However, the authors noted that a major industry in the study area is Africa Timber Plywood Industry and mentioned that arsenic and chromium are used as wood preservatives. Plywood is a manufactured wood and could contain materials not found in natural wood. The authors did not report what woods these sawmills were processing. Therefore, we cannot draw any conclusions from this study.

Barium. For barium, measurements of leaves, leaf litter, wood, and sawdust all showed barium concentrations below the ASTM solubility limit of 1,000 ppm.

Cadmium. For cadmium, the studies examined showed cadmium in tree core samples and wood at levels below the ASTM solubility limit of 75 ppm. Studies that measured cadmium in hydroponic samples showed cadmium levels in root, stem bark, stem wood, and leaf parts above 75 ppm. In a similar manner, shoots grown in pots containing varying amounts of cadmium added, showed cadmium concentrations above the ASTM solubility limit in leaves, stems, and roots.

Chromium. For chromium, one study at a chromate-contaminated site found chromium concentrations above the ASTM solubility limit of 60 ppm in roots, but measurements were below the detection limit for leaves, wood, and bark. Hydroponic studies by the same researcher showed that tree roots can concentrate chromium, but translocation (the movement of a material from one place to another) of chromium from the roots to other parts of the tree, is very low.

Mercury. For mercury, the contractor reviewed studies that measured mercury uptake in the roots, shoots, leaves, bark, trunks, limbs, fruits, branches, stems, and nuts of trees. The studies included both experimental tests and trees sampled from natural areas. Only an experimental study with seedlings grown in pots, to which either mercuric nitrate, methyl mercury chloride, or both, had been added, showed mercury in concentrations above the ASTM solubility limit in shoots and leaves of sycamore seedlings. The other studies did not show mercury levels above the ASTM solubility limit of 60 ppm in samples, even at contaminated sites.

Selenium. For selenium, one study showed measured concentrations of 1.4 ppm selenium in tree rings growing in contaminated soil. Other studies showed selenium at concentrations of 10 ppm or less, well below the ASTM solubility limit of 500 ppm. Only an experimental study with tree cuttings grown hydroponically in either sodium selenate or sodium selenite for 6 days, showed root concentrations above the ASTM solubility limit. All other parts of the cuttings had selenium levels below the ASTM solubility limit.

Conclusions. The contractor's report provides sufficient information for the Commission to determine that unfinished and untreated wood from tree trunks does not contain the ASTM heavy elements in concentrations above

[4] The congressionally mandated Agency for Toxic Substances and Disease Registry produces toxicological profiles for hazardous substances found at National Priorities List sites.

[5] This method is often referred to as ''tree searching.''

[6] Hydroponics is a subset of hydroculture and is a method of growing plants using mineral nutrient solutions, in water, without soil.

their respective solubility limits, and are, therefore, not required to be third party tested to assure compliance with the ASTM F963–11 solubility test. The studies examined multiple species of trees grown on several continents. No study examined by the contractor found any of the ASTM heavy elements in tree trunks at concentrations beyond the element's solubility limit.

The contractor's report indicates that heavy elements could be present in wood from other portions of the tree: The roots, bark, leaves, or fruit. The studies examined by the contractor showed high levels of one or more of the ASTM heavy elements in portions of trees other than trunks. However, commercial timber harvesting involves the process of ''delimbing'' The tree to create logs that can be transported and cut at a sawmill or lumberyard.[7] Often, the sawmill creates uniform-length planks from the delivered logs. These planks are sold to wood wholesalers or retailers, and are bought by wooden toy and other manufacturers. Because commercial practice creates logs from only the trunks of harvested trees, the wood available for use in toys and other wooden objects is sourced from these logs, or trunks of trees, and not the other parts of trees that could contain the ASTM elements above the limits in the toy standard.[8]

C. Determination for Unfinished and Untreated Wood for ASTM F963 Limits for Heavy Elements

1. Legal Requirements for a Determination

As noted above, section 14(a)(2) of the CPSA requires third party testing for children's products that are subject to a children's product safety rule. 15 U.S.C. 2063(a)(2). Toys must comply with the toy standard, including the specified limits on heavy elements. 15 U.S.C. 2056b. In response to statutory direction, the Commission has investigated approaches that would reduce the burden of third party testing while also assuring compliance with CPSC requirements. As part of that endeavor, the Commission has considered whether certain materials used in toys would not require third party testing.

To issue a determination that a material does not require third party testing, the Commission must have sufficient evidence to conclude that the material would consistently comply with the CPSC requirement that the material is subject to so that third party testing is unnecessary to provide a high degree of assurance of compliance. 16 CFR part 1107. Section 1107.2, defines ''a high degree of assurance'' as ''an evidence-based demonstration of consistent performance of a product regarding compliance based on knowledge of a product and its manufacture.''

For a material determination, a high degree of assurance of compliance means that the material will comply with the specified chemical limits due to the nature of the material, or due to a processing technique (*e.g.*, harvesting, smelting, cleaning, filtering, sorting) that reduces the chemical concentration below its limit. For materials determined to comply with a chemical limit, the material must continue to comply with that limit if it is used in a children's product subject to that requirement. A material on which a determination has been made cannot be altered or adulterated to render it noncompliant and then used in a children's product.

Based on the information discussed in section B of this preamble, the Commission determines that unfinished and untreated trunk wood complies with the solubility requirements for the heavy elements in section 4.3.5 of ASTM F963–11 with a high degree of assurance. This determination means that third party testing for compliance to the solubility requirements is not required for certification purposes for unfinished and untreated trunk wood. The Commission makes this determination to reduce the third party testing burden on children's product certifiers while continuing to ensure compliance.

2. Potential for Third Party Testing Burden Reduction

CPSC staff assessed the burden reduction that could result from a determination that unfinished and untreated trunk wood does not require third party testing for compliance with the limits on heavy elements in the toy standards. Testing the soluble concentration of the ASTM heavy elements requires placing the toy (or component part of the toy) in a solution of hydrochloric acid for 2 hours. After 2 hours, the solids are separated from the solution, and the solution is analyzed for the presence of any of the ASTM F963–11 heavy elements using atomic spectroscopy. The cost of this testing can vary by factors such as geography and the volume of testing that a manufacturer obtains from a testing laboratory. Based on published invoices and price lists, the cost of a third party test for the ASTM heavy elements ranges from around $60 in China, up to around $190 in the United States.

Staff cannot estimate with any certainty what the total potential burden reduction would be from a determination that unfinished and untreated wood will not contain concentrations of antimony, arsenic, barium, cadmium, mercury, and selenium in excess of the limits in ASTM F963–11. Most of the approximately 80,000 kinds of toys on the market[9] probably do not contain any wood components. If we assume that 10 percent of the approximately 80,000 different kinds of toys on the market have at least one wood component that requires third party testing, and we also assume that the average cost of a third party test is about $125 (representing the approximate midpoint of the range for the test's cost), then the potential total burden reduction from a determination for unfinished and untreated wood from tree trunks would be about $1 million annually. This estimate assumes that only one type of wood was used in a product so that the manufacturer would not have to test each individual unfinished and untreated wood component part in a product, as allowed by the component part testing rule (16 CFR part 1109). The estimated benefits could be lower if some manufacturers certify that their wood components comply with the ASTM F963–11 heavy elements requirements, based on third party tests of their raw materials instead of the finished product, as allowed by the component part testing rule. Moreover, the assumption that 10 percent of the toys have wood components is intended only to illustrate the potential benefits; the

[7] A succinct description of timber logging can be found at *http://en.wikipedia.org/w/index.php?title=Logging&redirect=no.* A more comprehensive review of timber harvesting can be found at *http://www.amazon.com/Tree-Harvesting-Techniques-Forestry-Sciences/dp/9048182824/ref=sr_1_1?s=books&ie=UTF8&qid=1433193105&sr=1-1&keywords=tree+harvesting+techniques%2C+wiksten.*

[8] Often, the sawmill creates uniform-length planks from the delivered logs. These planks are sold to wood wholesalers or retailers, and are bought by wooden toy and other manufacturers. Two references to the woods used in toys are: *http://www.ehow.com/list_6896897_kinds-wood-toys-made-from_.html*, and *http://www.woodtoyz.com/WTCat/LearnMaterials.html.*

[9] The estimate that there are 80,000 different kinds of toys is based on the number of toys listed on the Amazon.com Web site on June 2, 2015, for which Amazon.com was listed as the seller and recommended for children 13 years old or younger. Examples of toys that might include wood components include building blocks, various wood pull toys, some toy cars and trucks, train sets, some games and puzzles, some toy figures, and some toys for toddlers and infants.

assumption is not based on any formal study of the toy market.

3. Statutory Authority

Section 3 of the CPSIA grants the Commission general rulemaking authority to issue regulations, as necessary, to implement the CPSIA. Public Law 110–314, § 3, Aug. 14, 2008. As noted previously, section 14 of the CPSA, which was amended by the CPSIA, requires third party testing for children's products that are subject to a children's product safety rule. 15 U.S.C. 2063(a)(2). Section 14(d)(3)(B) of the CPSA, as amended by Public Law 112–28, gives the Commission the authority to ''prescribe new or revised third party testing regulations if it determines that such regulations will reduce third party testing costs consistent with assuring compliance with the applicable consumer product safety rules, bans, standards, and regulations.'' *Id.* 2063(d)(3)(B). These statutory provisions authorize the Commission to issue this rule determining that unfinished and untreated trunk wood will not exceed the limits for heavy elements stated in the toy standard, and therefore, unfinished and untreated trunk wood does not require third party conformity assessment body testing to assure compliance with the heavy elements limits stated in the toy standard.

This determination relieves unfinished and untreated trunk wood from the third party testing requirement of section 14 of the CPSA for purposes of supporting the required certification. However, if the unfinished and untreated wood is altered so that the material exceeds the heavy elements limits of ASTM F963, the determination is not applicable to that material. The changed or altered material or product must then be tested and meet the heavy element requirements of ASTM F963.

The determination only lifts the obligation to have unfinished and untreated trunk wood tested by a third party conformity assessment body. The underlying requirement that products subject to the toy standard must comply with the toy standard's limits on heavy elements remains in place.

4. Description of the Rule

This rule creates a new Part 1251 for ''Toys; Determination Regarding Heavy Elements Limits for Unfinished and Untreated Wood.'' Section 1251.1 of the rule explains the statutorily-created requirements for toys under ASTM F963 and the third party testing requirements for children's products.

Section 1251.2(a) of the rule establishes the Commission's determination that unfinished and untreated trunk wood does not exceed the limits for the heavy elements established in section 4.3.5 of the toy standard with a high degree of assurance as that term is defined in 16 CFR part 1107. The determination only applies if the material has not been treated or adulterated with the addition of any materials that could result in the addition of any of the heavy elements listed in the toy standard at levels above their respective solubility limits. In section 1251.2(b) of the rule, unfinished and untreated trunk wood means wood harvested from trees with no added surface coatings (*e.g.*, varnish, paint, shellac, polyurethane) and no materials added to the wood substrate (*e.g.*, stains, dyes, preservatives, antifungals, insecticides). Because commercial practice creates wood from only the trunks of harvested trees, unfinished and untreated wood as used in the rule means wood that is generally commercially available. Unfinished and untreated wood does not include manufactured or engineered woods such as pressed wood, plywood, particle board, or fiberboard.

D. Direct Final Rule Process

The Commission is issuing this rule as a direct final rule (''DFR''). The Administrative Procedure Act (''APA'') generally requires notice and comment rulemaking 5 U.S.C. 553(b). In Recommendation 95–4, the Administrative Conference of the United States (''ACUS'') endorsed direct final rulemaking as an appropriate procedure to expedite promulgation of rules that are noncontroversial and that are not expected to generate significant adverse comment. *See* 60 FR 43108 (August 18, 1995). Consistent with the ACUS recommendation, the Commission is publishing this rule as a direct final rule because we believe the determination will not be controversial. The rule will not impose any new obligations, but will relieve companies from the requirement of having toys (or materials that are component parts of toys) tested by a third party conformity assessment body if the toys or materials are made of unfinished and untreated wood. We expect that the determination will be supported by stakeholders. The determination responds to the desire expressed by numerous stakeholders and Congress that the Commission provide relief from the burdens of third party testing while also ensuring that products will comply with all applicable children's product safety rules. The rule establishes a discrete determination that a specific material (unfinished and untreated wood) in a particular type of product (toys) will always comply with the toy standard's limits on heavy elements. We expect that this focused action will not engender any significant adverse comments.

Unless we receive a significant adverse comment within 30 days, the rule will become effective on September 15, 2015. In accordance with ACUS's recommendation, the Commission considers a significant adverse comment to be one where the commenter explains why the rule would be inappropriate, including an assertion challenging the rule's underlying premise or approach, or a claim that the rule would be ineffective or unacceptable without change.

Should the Commission receive a significant adverse comment, the Commission will withdraw this direct final rule. A notice of proposed rulemaking (''NPR''), providing an opportunity for public comment, is also being published in this same issue of the **Federal Register**.

E. Effective Date

The APA generally requires that a substantive rule must be published not less than 30 days before its effective date. 5 U.S.C. 553(d)(1). Because the final rule provides relief from existing testing requirements under the CPSIA, the effective date is September 15, 2015. However, as discussed in section D of the preamble, if the Commission receives a significant adverse comment the Commission will withdraw the DFR and proceed with the NPR published in this same issue of the **Federal Register**.

F. Regulatory Flexibility Act

The Regulatory Flexibility Act (''RFA'') generally requires that agencies review proposed and final rules for the rules' potential economic impact on small entities, including small businesses, and prepare regulatory flexibility analyses. 5 U.S.C. 603 and 604.

The rule would relieve toy manufacturers and importers of the responsibility of obtaining third party tests for compliance with the limits on the ASTM elements for components of toys consisting of unfinished and untreated wood. Although the impact will be to reduce testing costs, we expect that the rule would have only limited impact on toy manufacturers and importers for two reasons. First, the rule will affect only those companies that manufacture or import toys that contain unfinished and untreated wood components. We expect that relatively few of the approximately 80,000 toys on the market contain any unfinished and

untreated wood components. Therefore this rule would be expected to impact only a small number of manufacturers and importers or at most, a small portion of the toys in the market.

Second, manufacturers of toys containing unfinished and untreated wood components still would be required to test to other aspects of the ASTM toy standard, so the impact of this rule relative to production costs for most firms should be small. Due to the small number of entities affected and the limited scope of the impact, the Commission certifies that this rule will not have a significant impact on a substantial number of small entities pursuant to section 605(b) of the RFA, 5 U.S.C. 605(b).

G. Environmental Considerations

The Commission's regulations provide a categorical exclusion for Commission rules from any requirement to prepare an environmental assessment or an environmental impact statement because they ''have little or no potential for affecting the human environment.'' 16 CFR 1021.5(c)(2). This rule falls within the categorical exclusion, so no environmental assessment or environmental impact statement is required. The Commission's regulations state that safety standards for products normally have little or no potential for affecting the human environment. 16 CFR 1021.5(c)(1). Nothing in this rule alters that expectation.

List of Subjects

Business and industry, Infants and children, Consumer protection, Imports, Product testing and certification, Toys.

Accordingly, 16 CFR part 1251 is added to read as follows:

PART 1251—TOYS: DETERMINATIONS REGARDING HEAVY ELEMENTS LIMITS FOR CERTAIN MATERIALS

Sec.
1251.1 The toy standard and testing requirements.
1251.2 Wood.

Authority: Sec. 3, Pub. L. 110–314, 122 Stat. 3016; 15 U.S.C. 2063(d)(3)(B).

§ 1251.1 The toy standard and testing requirements.

The Consumer Product Safety Improvement Act of 2008 (''CPSIA'') made provisions of ASTM F963, Consumer Product Safety Specifications for Toy Safety (''toy standard''), a mandatory consumer product safety standard. Among the mandated provisions is section 4.3.5 of ASTM F963 which requires that surface coating materials and accessible substrates of toys that can be sucked, mouthed, or ingested, must comply with solubility limits that the toy standard establishes for eight heavy elements. Materials used in toys subject to section 4.3.5 of the toy standard must comply with the third party testing requirements of section 14(a)(2) of the Consumer Product Safety Act (''CPSA''), unless listed in § 1251.2.

§ 1251.2 Wood.

(a) Unfinished and untreated wood does not exceed the limits for the heavy elements established in section 4.3.5 of the toy standard with a high degree of assurance as that term is defined in 16 CFR part 1107, provided that the material has been neither treated nor adulterated with materials that could result in the addition of any of the heavy elements listed in the toy standard at levels above their respective solubility limits.

(b) For purposes of this section, unfinished and untreated wood means wood harvested from the trunks of trees with no added surface coatings (such as, varnish, paint, shellac, or polyurethane) and no materials added to the wood substrate (such as, stains, dyes, preservatives, antifungals, or insecticides). Unfinished and untreated wood does not include manufactured or engineered woods (such as pressed wood, plywood, particle board, or fiberboard).

Dated: July 13, 2015.

Todd A. Stevenson,

Secretary, Consumer Product Safety Commission.

[FR Doc. 2015–17413 Filed 7–16–15; 8:45 am]

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DEPARTMENT OF JUSTICE

Drug Enforcement Administration

21 CFR Part 1308

[Docket No. DEA–413F]

Schedules of Controlled Substances: Temporary Placement of Acetyl Fentanyl Into Schedule I

AGENCY: Drug Enforcement Administration, Department of Justice.

ACTION: Final order.

SUMMARY: The Administrator of the Drug Enforcement Administration is issuing this final order to temporarily schedule the synthetic opioid, *N*-(1-phenethylpiperidin-4-yl)-*N*-phenylacetamide (acetyl fentanyl), and its optical, positional, and geometric isomers, salts and salts of isomers, into schedule I pursuant to the temporary scheduling provisions of the Controlled Substances Act. This action is based on a finding by the Administrator that the placement of this opioid substance into schedule I of the Controlled Substances Act is necessary to avoid an imminent hazard to the public safety. As a result of this order, the regulatory controls and administrative, civil, and criminal sanctions applicable to schedule I controlled substances will be imposed on persons who handle (manufacture, distribute, import, export, engage in research, or possess), or propose to handle, acetyl fentanyl.

DATES: This final order is effective on July 17, 2015.

FOR FURTHER INFORMATION CONTACT: John R. Scherbenske, Office of Diversion Control, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152, Telephone: (202) 598–6812.

SUPPLEMENTARY INFORMATION:

Legal Authority

The Drug Enforcement Administration (DEA) implements and enforces titles II and III of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended. Titles II and III are referred to as the ''Controlled Substances Act'' and the ''Controlled Substances Import and Export Act,'' respectively, and are collectively referred to as the ''Controlled Substances Act'' or the ''CSA'' for the purpose of this action. 21 U.S.C. 801–971. The DEA publishes the implementing regulations for these statutes in title 21 of the Code of Federal Regulations (CFR), chapter II. The CSA and its implementing regulations are designed to prevent, detect, and eliminate the diversion of controlled substances and listed chemicals into the illicit market while ensuring an adequate supply is available for the legitimate medical, scientific, research, and industrial needs of the United States. Controlled substances have the potential for abuse and dependence and are controlled to protect the public health and safety.

Under the CSA, every controlled substance is classified into one of five schedules based upon its potential for abuse, its currently accepted medical use in treatment in the United States, and the degree of dependence the drug or other substance may cause. 21 U.S.C. 812. The initial schedules of controlled substances established by Congress are found at 21 U.S.C. 812(c), and the current list of all scheduled substances is published at 21 CFR part 1308.

Section 201 of the CSA, 21 U.S.C. 811, provides the Attorney General with the authority to temporarily place a

substance into schedule I of the CSA for two years without regard to the requirements of 21 U.S.C. 811(b) if she finds that such action is necessary to avoid an imminent hazard to the public safety. 21 U.S.C. 811(h)(1). In addition, if proceedings to control a substance are initiated under 21 U.S.C. 811(a)(1), the Attorney General may extend the temporary scheduling for up to one year. 21 U.S.C. 811(h)(2).

Where the necessary findings are made, a substance may be temporarily scheduled if it is not listed in any other schedule under section 202 of the CSA, 21 U.S.C. 812, or if there is no exemption or approval in effect for the substance under section 505 of the Federal Food, Drug, and Cosmetic Act (FDCA), 21 U.S.C. 355. 21 U.S.C. 811(h)(1). The Attorney General has delegated her scheduling authority under 21 U.S.C. 811 to the Administrator of the DEA. 28 CFR 0.100.

Background

Section 201(h)(4) of the CSA, 21 U.S.C. 811(h)(4), requires the Administrator to notify the Secretary of the Department of Health and Human Services (HHS) of the Administrator's intention to temporarily place a substance into schedule I of the CSA.[1] The Administrator transmitted the notice of intent to place acetyl fentanyl into schedule I on a temporary basis to the Assistant Secretary by letter dated April 7, 2015. The Assistant Secretary responded to this notice by letter dated April 29, 2015 (received by the DEA on May 05, 2015), and advised that based on review by the FDA, there are currently no investigational new drug applications or approved new drug applications for acetyl fentanyl. The Assistant Secretary also stated that the HHS has no objection to the temporary placement of acetyl fentanyl into schedule I of the CSA. The DEA has taken into consideration the Assistant Secretary's comments as required by 21 U.S.C. 811(h)(4). Acetyl fentanyl is not currently listed in any schedule under the CSA, and no exemptions or approvals are in effect for acetyl fentanyl under section 505 of the FDCA, 21 U.S.C. 355. The DEA has found that the scheduling of acetyl fentanyl in schedule I on a temporary basis is necessary to avoid an imminent hazard to public safety, and as required by 21 U.S.C. 811(h)(1)(A), a notice of intent to temporarily schedule acetyl fentanyl was published in the **Federal Register** on May 21, 2015. 80 FR 29227.

To find that placing a substance temporarily into schedule I of the CSA is necessary to avoid an imminent hazard to the public safety, the Administrator is required to consider three of the eight factors set forth in section 201(c) of the CSA, 21 U.S.C. 811(c): the substance's history and current pattern of abuse; the scope, duration and significance of abuse; and what, if any, risk there is to the public health. 21 U.S.C. 811(h)(3). Consideration of these factors includes actual abuse, diversion from legitimate channels, and clandestine importation, manufacture, or distribution. 21 U.S.C. 811(h)(3).

A substance meeting the statutory requirements for temporary scheduling may only be placed into schedule I. 21 U.S.C. 811(h)(1). Substances in schedule I are those that have a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. 21 U.S.C. 812(b)(1). Available data and information for acetyl fentanyl, summarized below, indicate that this synthetic opioid has a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. The DEA analysis is available in its entirety under the tab ''Supporting and Related Material'' of the public docket of this action at *www.regulations.gov* under Docket Number DEA–413F.

Factor 4. History and Current Pattern of Abuse

Clandestinely produced substances structurally related to the schedule II opioid analgesic fentanyl were trafficked and abused on the West Coast in the late 1970s and 1980s. These clandestinely produced fentanyl-like substances were commonly known as designer drugs, and recently, there has been a reemergence in the trafficking and abuse of designer drug substances, including fentanyl-like substances. Alpha-methylfentanyl, the first fentanyl analogue identified in California, was placed into schedule I of the CSA in September 1981. Following the control of alpha-methylfentanyl, the DEA identified several other fentanyl analogues (3-methylthiofentanyl, acetyl-alpha-methylfentanyl, beta-hydroxy-3-methylfentanyl, alpha-methylthiofentanyl, thiofentanyl, beta-hydroxyfentanyl, para-fluorofentanyl and 3-methylfentanyl) in submissions to forensic laboratories. These substances were temporarily controlled under schedule I of the CSA after finding that they posed an imminent hazard to public safety and were subsequently permanently placed into schedule I of the CSA.

The National Forensic Laboratory Information System (NFLIS) is a national drug forensic laboratory reporting system that systematically collects results from drug chemistry analyses conducted by State and local forensic laboratories across the country. The first laboratory submission of acetyl fentanyl was recorded in Maine in April 2013 according to NFLIS. NFLIS registered eight reports containing acetyl fentanyl in 2013 in Louisiana, Maine, and North Dakota; and 30 reports in 2014 in Florida, Illinois, Louisiana, Maine, New Jersey, Ohio, Oregon, Pennsylvania, and Virginia.

The System to Retrieve Information from Drug Evidence (STRIDE) is a database of drug exhibits sent to DEA laboratories for analysis. Exhibits from this database are from the DEA, other Federal agencies, and some local law enforcement agencies. Acetyl fentanyl was first reported to STRIDE in September 2013 from exhibits obtained through a controlled purchase in Louisiana. In October 2013, an exhibit collected from a controlled purchase of suspected oxycodone tablets in Rhode Island contained acetyl fentanyl as the primary substance. In 2014, STARLiMS (a Web-based, commercial laboratory information management system that is in transition to replace STRIDE) and STRIDE reported eight additional seizures in Colorado, Florida, Georgia, and Washington.

In August 2013, the Centers for Disease Control and Prevention published an article in its Morbidity and Mortality Weekly Report documenting a series of 14 fatalities related to acetyl fentanyl that occurred between March and May 2013. In December 2013, another fatality associated with acetyl fentanyl was reported in Rhode Island for a total of 15 fatalities. In February 2014, the North Carolina Department of Health and Human Services issued a health advisory related to acetyl fentanyl following at least three deaths related to this synthetic drug. Toxicologists at the North Carolina Office of the Chief Medical Examiner detected acetyl fentanyl in specimens associated with deaths that occurred in January 2014 in Sampson, Person, and

[1] Because the Secretary of the HHS has delegated to the Assistant Secretary for Health of the HHS the authority to make domestic drug scheduling recommendations, for purposes of this final order, all subsequent references to ''Secretary'' have been replaced with ''Assistant Secretary.'' As set forth in a memorandum of understanding entered into by HHS, the Food and Drug Administration (FDA), and the National Institute on Drug Abuse (NIDA), the FDA acts as the lead agency within the HHS in carrying out the Assistant Secretary's scheduling responsibilities under the CSA, with the concurrence of NIDA. 50 FR 9518, Mar. 8, 1985.

Transylvania counties. In July and August 2014, four additional fatalities involving acetyl fentanyl were reported for a total of seven fatalities in North Carolina. Deaths involving acetyl fentanyl have also been reported in California (1), Louisiana (14), Oregon (1) and Pennsylvania (1).

A significant seizure of acetyl fentanyl occurred in April 2013 during a law enforcement investigation in Montreal, Canada. Approximately three kilograms of acetyl fentanyl in powder form and approximately 11,000 tablets containing acetyl fentanyl were seized. Given that a typical dose of acetyl fentanyl is in the microgram range, a three kilogram quantity could potentially produce millions of dosage units. In the United States, tablets that mimic pharmaceutical opioid products have been reported in multiple states, including Colorado, Florida, Georgia, Rhode Island, and Washington. Recent reports indicate that acetyl fentanyl in powder form is available over the Internet and has been imported to addresses within the United States.

Evidence also suggests that the pattern of abuse of fentanyl analogues, including acetyl fentanyl, parallels that of heroin and prescription opioid analgesics. For example, seizures of acetyl fentanyl have been encountered both in powder and in tablet form. It is also known to have caused many fatal overdoses, in which intravenous routes of administration and histories of drug abuse are documented.

Factor 5. Scope, Duration and Significance of Abuse

The DEA is currently aware of at least 39 fatalities associated with acetyl fentanyl. These deaths occurred in 2013 and 2014 from six states including California, Louisiana, North Carolina, Oregon, Pennsylvania, and Rhode Island. STARLiMS and STRIDE, databases capturing drug evidence information from DEA forensic laboratories, have a total of 10 drug reports in which acetyl fentanyl was identified in six cases for analyzed drugs submitted from January 2010—December 2014 from Colorado, Florida, Georgia, Louisiana, Rhode Island, and Washington. It is likely that the prevalence of acetyl fentanyl in opioid analgesic-related emergency room admissions and deaths is underreported since standard immunoassays cannot differentiate acetyl fentanyl from fentanyl.

The population likely to abuse acetyl fentanyl overlaps with the populations abusing prescription opioid analgesics and heroin. This is evidenced by the routes of administration and drug use history documented in acetyl fentanyl fatal overdose cases. Because abusers of acetyl fentanyl are likely to obtain the drug through illicit sources, the identity, purity, and quantity is uncertain and inconsistent, thus posing significant adverse health risks to its abusers. This risk is particularly heightened by the fact that acetyl fentanyl is a highly potent opioid (15.7 fold more potent than that of morphine as tested in mice using an acetic acid writhing method). Thus small changes in the amount and purity of the substance could potentially lead to overdose and death.

Factor 6. What, if Any, Risk There Is to the Public Health

Acetyl fentanyl exhibits a pharmacological profile similar to that of fentanyl and other opioid analgesic compounds, and it is a potent opioid analgesic reported to be 1/3 as potent as fentanyl and 15.7 times as potent as morphine in mice tested in an acetic acid writhing method. In addition, studies also showed that the range between the effective dose (ED50) and the lethal dose (LD50) of acetyl fentanyl is narrower than that of morphine and fentanyl, increasing the risk of fatal overdose. Thus, its abuse is likely to pose quantitatively greater risks to the public health and safety than abuse of traditional opioid analgesics such as morphine.

Based on the above pharmacological data, the abuse of acetyl fentanyl at least leads to the same qualitative public health risks as heroin, fentanyl, and other opioid analgesic compounds. The public health risks attendant to the abuse of heroin and opioid analgesics are well established. The abuse of opioid analgesics has resulted in large numbers of drug treatment admissions, emergency department visits, and fatal overdoses.

Acetyl fentanyl has been associated with numerous fatalities. At least 39 overdose deaths due to acetyl fentanyl abuse have been reported in six states in 2013 and 2014, California, Louisiana, North Carolina, Oregon, Pennsylvania, and Rhode Island. This indicates that acetyl fentanyl poses an imminent hazard to public safety.

Finding of Necessity of Schedule I Placement To Avoid Imminent Hazard to Public Safety

Based on the data and information summarized above, the continued uncontrolled manufacture, distribution, importation, exportation, and abuse of acetyl fentanyl poses an imminent hazard to the public safety. The DEA is not aware of any currently accepted medical uses for this substance in the United States. A substance meeting the statutory requirements for temporary scheduling, 21 U.S.C. 811(h)(1), may only be placed into schedule I. Substances in schedule I are those that have a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. Available data and information for acetyl fentanyl indicate that this substance has a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use under medical supervision. As required by section 201(h)(4) of the CSA, 21 U.S.C. 811(h)(4), the Administrator, through a letter dated April 7, 2015, notified the Assistant Secretary of the DEA's intention to temporarily place this substance into schedule I.

Conclusion

In accordance with the provisions of section 201(h) of the CSA, 21 U.S.C. 811(h), the Administrator considered available data and information, herein sets forth the grounds for his determination that it is necessary to temporarily schedule *N*-(1-phenethylpiperidin-4-yl)-*N*-phenylacetamide (acetyl fentanyl), into schedule I of the CSA, and finds that placement of this synthetic opioid into schedule I of the CSA is necessary to avoid an imminent hazard to the public safety. Because the Administrator hereby finds it necessary to temporarily place this synthetic opioid into schedule I to avoid an imminent hazard to the public safety, this final order temporarily scheduling acetyl fentanyl will be effective on the date of publication in the **Federal Register**, and will be in effect for a period of two years, with a possible extension of one additional year, pending completion of the regular (permanent) scheduling process. 21 U.S.C. 811(h)(1) and (2).

The CSA sets forth specific criteria for scheduling a drug or other substance. Regular scheduling actions in accordance with 21 U.S.C. 811(a) are subject to formal rulemaking procedures done ''on the record after opportunity for a hearing'' conducted pursuant to the provisions of 5 U.S.C. 556 and 557. 21 U.S.C. 811. The regular scheduling process of formal rulemaking affords interested parties with appropriate process and the government with any additional relevant information needed to make a determination. Final decisions that conclude the regular scheduling process of formal rulemaking are subject to judicial review. 21 U.S.C. 877. Temporary

scheduling orders are not subject to judicial review. 21 U.S.C. 811(h)(6).

Requirements for Handling

Upon the effective date of this final order, acetyl fentanyl will become subject to the regulatory controls and administrative, civil, and criminal sanctions applicable to the manufacture, distribution, importation, exportation, research, conduct of instructional activities, and possession of schedule I controlled substances including the following:

1. *Registration.* Any person who handles (manufactures, distributes, imports, exports, engages in research, conducts instructional activities with, or possesses), or who desires to handle, acetyl fentanyl must be registered with the DEA to conduct such activities pursuant to 21 U.S.C. 822, 823, 957, and 958 and in accordance with 21 CFR parts 1301 and 1312, as of July 17, 2015. Any person who currently handles acetyl fentanyl, and is not registered with the DEA, must submit an application for registration and may not continue to handle acetyl fentanyl as of July 17, 2015, unless the DEA has approved that application for registration pursuant to 21 U.S.C. 822, 823, 957, 958, and in accordance with 21 CFR parts 1301 and 1312. Retail sales of schedule I controlled substances to the general public are not allowed under the CSA. Possession of any quantity of this substance in a manner not authorized by the CSA on or after July 17, 2015 is unlawful and those in possession of any quantity of this substance may be subject to prosecution pursuant to the CSA.

2. *Security.* Acetyl fentanyl is subject to schedule I security requirements and must be handled and stored pursuant to 21 U.S.C. 821, 823, 871(b), and in accordance with 21 CFR 1301.71–1301.93, as of July 17, 2015.

3. *Labeling and packaging.* All labels, labeling, and packaging for commercial containers of acetyl fentanyl must be in compliance with 21 U.S.C. 825, 958(e), and be in accordance with 21 CFR part 1302 as of July 17, 2015. Current DEA registrants shall have 30 calendar days from July 17, 2015, to comply with all labeling and packaging requirements.

4. *Inventory.* Every DEA registrant who possesses any quantity of acetyl fentanyl on the effective date of this order must take an inventory of all stocks of this substance on hand as of July 17, 2015, pursuant to 21 U.S.C. 827 and 958, and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11(a) and (d). Current DEA registrants shall have 30 calendar days from the effective date of this order to be in compliance with all inventory requirements. After the initial inventory, every DEA registrant must take an inventory of all controlled substances (including acetyl fentanyl) on hand on a biennial basis, pursuant to 21 U.S.C. 827 and 958, and in accordance with 21 CFR 1304.03, 1304.04, and 1304.11.

5. *Records.* All DEA registrants must maintain records with respect to acetyl fentanyl pursuant to 21 U.S.C. 827 and 958, and in accordance with 21 CFR parts 1304, 1307, and 1312 as of July 17, 2015. Current DEA registrants authorized to handle acetyl fentanyl shall have 30 calendar days from the effective date of this order to be in compliance with all recordkeeping requirements.

6. *Reports.* All DEA registrants who manufacture or distribute acetyl fentanyl must submit reports pursuant to 21 U.S.C. 827 and in accordance with 21 CFR parts 1304, 1307, and 1312 as of July 17, 2015.

7. *Order Forms.* All DEA registrants who distribute acetyl fentanyl must comply with order form requirements pursuant to 21 U.S.C. 828 and in accordance with 21 CFR part 1305 as of July 17, 2015.

8. *Importation and Exportation.* All importation and exportation of acetyl fentanyl must be in compliance with 21 U.S.C. 952, 953, 957, 958, and in accordance with 21 CFR part 1312 as of July 17, 2015.

9. *Quota.* Only DEA registered manufacturers may manufacture acetyl fentanyl in accordance with a quota assigned pursuant to 21 U.S.C. 826 and in accordance with 21 CFR part 1303 as of July 17, 2015.

10. *Liability.* Any activity involving acetyl fentanyl not authorized by, or in violation of the CSA, occurring as of July 17, 2015, is unlawful, and may subject the person to administrative, civil, and/or criminal sanctions.

Regulatory Matters

Section 201(h) of the CSA, 21 U.S.C. 811(h), provides for an expedited temporary scheduling action where such action is necessary to avoid an imminent hazard to the public safety. As provided in this subsection, the Attorney General may, by order, schedule a substance in schedule I on a temporary basis. Such an order may not be issued before the expiration of 30 days from (1) the publication of a notice in the **Federal Register** of the intention to issue such order and the grounds upon which such order is to be issued, and (2) the date that notice of the proposed temporary scheduling order is transmitted to the Assistant Secretary. 21 U.S.C. 811(h)(1).

Inasmuch as section 201(h) of the CSA directs that temporary scheduling actions be issued by order and sets forth the procedures by which such orders are to be issued, the DEA believes that the notice and comment requirements of the Administrative Procedure Act (APA) at 5 U.S.C. 553, do not apply to this temporary scheduling action. In the alternative, even assuming that this action might be subject to 5 U.S.C. 553, the Administrator finds that there is good cause to forgo the notice and comment requirements of 5 U.S.C. 553, as any further delays in the process for issuance of temporary scheduling orders would be impracticable and contrary to the public interest in view of the manifest urgency to avoid an imminent hazard to the public safety.

Further, the DEA believes that this temporary scheduling action final order is not a ''rule'' as defined by 5 U.S.C. 601(2), and, accordingly, is not subject to the requirements of the Regulatory Flexibility Act. The requirements for the preparation of an initial regulatory flexibility analysis in 5 U.S.C. 603(a) are not applicable where, as here, the DEA is not required by the APA or any other law to publish a general notice of proposed rulemaking.

Additionally, this action is not a significant regulatory action as defined by Executive Order 12866 (Regulatory Planning and Review), section 3(f), and, accordingly, this action has not been reviewed by the Office of Management and Budget (OMB).

This action will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132 (Federalism) it is determined that this action does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Pursuant to the Congressional Review Act, ''any rule for which an agency for good cause finds . . . that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest, shall take effect at such time as the Federal agency promulgating the rule determines.'' 5 U.S.C. 808(2). It is in the public interest to schedule these substances immediately because they pose a public health risk. This temporary scheduling action is taken pursuant to 21 U.S.C. 811(h), which is specifically designed to enable the DEA to act in an expeditious manner to avoid an imminent hazard to the public safety. 21 U.S.C. 811(h) exempts the temporary scheduling order

from standard notice and comment rulemaking procedures to ensure that the process moves swiftly. For the same reasons that underlie 21 U.S.C. 811(h), that is, the DEA's need to move quickly to place this substance into schedule I because it poses an imminent hazard to public safety, it would be contrary to the public interest to delay implementation of the temporary scheduling order. Therefore, in accordance with 5 U.S.C. 808(2), this order shall take effect immediately upon its publication.

List of Subjects in 21 CFR Part 1308

Administrative practice and procedure, Drug traffic control, Reporting and recordkeeping requirements.

For the reasons set out above, the DEA amends 21 CFR part 1308 as follows:

PART 1308—SCHEDULES OF CONTROLLED SUBSTANCES

■ 1. The authority citation for part 1308 continues to read as follows:

Authority: 21 U.S.C. 811, 812, 871(b), unless otherwise noted.

■ 2. Amend § 1308.11 by adding paragraph (h)(24) to read as follows:

§ 1308.11 Schedule I.

* * * * *

(h) * * *

(24) *N*-(1-phenethylpiperidin-4-yl)-*N*-phenylacetamide, its optical, positional, and geometric isomers, salts and salts of isomers (Other names: acetyl fentanyl) ..... (9821).

* * * * *

Dated: July 13, 2015.

Chuck Rosenberg,

Acting Administrator.

[FR Doc. 2015–17563 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 147

[Docket Number USCG–2014–0863]

RIN 1625–AA00

Safety Zone; Big Foot TLP, Walker Ridge 29, Outer Continental Shelf on the Gulf of Mexico

AGENCY: Coast Guard, DHS.

ACTION: Interim rule and request for comments.

SUMMARY: The Coast Guard is establishing a safety zone around the Big Foot Tension Leg Platform construction site, located in Walker Ridge Block 29 on the Outer Continental Shelf (OCS) in the Gulf of Mexico. The purpose of this interim rule is to include the construction area and protect the facility and all operations during the construction phase from all vessels operating outside the normal shipping channels and fairways that are not providing services to or working with the facility. Placing a safety zone around the facility while under construction that includes the construction site will significantly reduce the threat of allisions, collisions, security breaches, oil spills, releases of natural gas, and thereby protect the safety of life, property, and the environment.

DATES: This rule is effective without actual notice July 17, 2015. For the purposes of enforcement, actual notice will be used from June 3, 2015 until July 17, 2015. Comments and related material must be received by the Coast Guard on or before August 3, 2015.

ADDRESSES: Documents mentioned in this preamble are part of Docket Number USCG–2014–0863. To view documents mentioned in this preamble as being available in the docket, go to *http://www.regulations.gov,* type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on ''Open Docket Folder'' on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

You may submit comments, identified by docket number, using any one of the following methods:

(1) *Federal eRulemaking Portal: http://www.regulations.gov.*

(2) *Fax:* (202) 493–2251.

(3) *Mail or Delivery:* Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001. Deliveries accepted between 9 a.m. and 5 p.m., Monday through Friday, except federal holidays. The telephone number is 202–366–9329.

See the ''Public Participation and Request for Comments'' portion of the **SUPPLEMENTARY INFORMATION** section below for further instructions on submitting comments. To avoid duplication, please use only one of these three methods.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule, call or email Mr. Rusty Wright, U.S. Coast Guard, District Eight Waterways Management Branch; telephone 504–671–2138, *rusty.h.wright@uscg.mil.* If you have questions on viewing or submitting material to the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

Table of Acronyms

DHS Department of Homeland Security
NPRM Notice of Proposed Rulemaking
OCS Outer Continental Shelf

A. Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided.

1. Submitting Comments

If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online at *http://www.regulations.gov,* or by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the Docket Management Facility. We recommend that you include your name and a mailing address, an email address, or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

To submit your comment online, go to *http://www.regulations.gov,* type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on ''Submit a Comment'' on the line associated with this rulemaking.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received

during the comment period and may change the rule based on your comments.

2. Viewing Comments and Documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to *http://www.regulations.gov,* type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on Open Docket Folder on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

3. Privacy Act

Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

4. Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for one, using one of the methods specified under **ADDRESSES**. Please explain why you believe a public meeting would be beneficial. If we determine that one would aid this rulemaking, we will hold one at a time and place announced by a later notice in the **Federal Register**.

B. Regulatory History and Information

On March 25, 2015 we published a Notice of Proposed Rulemaking (NPRM) with a request for comments entitled, ''Safety Zone; Big Foot TLP, Walker Ridge 29, Outer Continental Shelf on the Gulf of Mexico'' in the **Federal Register** (80 FR 15703). We received no comments on the NPRM. Before publication of the final rule, Chevron North America (Chevron) notified the Coast Guard of specific challenges during the Big Foot Tension Leg Platform's (TLP) construction phase. Specifically, multiple tendon failures occurred while the Big Foot TLP was going through installation operations. These tendon failures resulted in losing a buoyancy can, which went adrift. Subsequently, the construction operation was put on hold but the remaining tendons and construction/attending vessels and equipment remain on site. The Coast Guard decided to expand the original proposed safety zone to include the construction site as part of the facility for purposes of an interim safety zone during the construction phase. Under 33 CFR 147.1, a safety zone may be established around OCS facilities being constructed, maintained, or operated for safety of life and property. And, under 33 CFR 147.15, a safety zone may extend up to a maximum of 500 meters around an OCS facility measuring from the facility's outer most edge or from its construction site. While the remaining tendons and construction vessels and equipment remain on site and during construction of the Big Foot TLP, this interim rule is necessary to establish the safety zone as extending 500 meters from the construction site to protect persons and vessels from hazards inherent to construction of this type of platform on the OCS. Once the Big Foot TLP facility is constructed, a final rule will revise the safety zone to extend from the constructed facility's outer most edges.

This interim rule follows an NPRM that received no comments. The Coast Guard is issuing this interim rule without further notice pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice when the agency for good cause finds that those procedures are ''impracticable, unnecessary, or contrary to the public interest.'' As stated above, an NPRM proposing a safety zone around the Big Foot TLP facility was published in March and no comments were received. The NPRM provided prior notice and opportunity to comment. This interim rule provides additional opportunity to comment. Under 5 U.S.C. 553(b)(3)(B), the Coast Guard finds that good cause exists for not providing additional notice with respect to this interim rule establishing the safety zone as extending from the construction site rather than from the facility location. Construction and installation operations are expected to resume promptly and immediate action is necessary to establish this interim OCS safety zone during the Big Foot TLP's construction phase to protect life and property from the hazards associated with and resulting from the construction operations.

For the same reasons, under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective in less than 30 days after publication in the **Federal Register**.

C. Basis and Purpose

The legal basis and authorities for this rule are found in 14 U.S.C. 85; 43 U.S.C. 1333; and Department of Homeland Security Delegation No. 0170.1, which collectively authorize the Coast Guard to establish and define OCS safety zones.

Because of construction and installation complications, the Coast Guard explored establishing the safety zone proposed in the NPRM published in March 2015 (80 FR 15703) as an interim rule, rather than a final rule at this time, extending from the construction site during the construction phase. Chevron also requested that the Coast Guard establish the interim OCS safety zone around the Big Foot TLP construction site located in the deepwater area of the Gulf of Mexico on the OCS. Placing a safety zone around the construction site will significantly reduce the threat of allisions, oil spills, and releases of natural gas, and thereby protect the safety of life, property, and the environment.

The construction and installation complications pose significant safety hazards to vessels and mariners operating in the area. The Coast Guard is issuing this interim rule during construction which Chevron anticipates continuing for at least six months. Establishing the OCS safety zone to extend 500 meters (1640.4 feet) from the outside of the ½ x ½ square mile construction site is necessary to maintain navigational safety during the anticipated six month construction phase.

D. Discussion of the Interim Rule

The Coast Guard is establishing an interim OCS safety zone extending 500 meters (1640.4 feet) from the outer edges of the Big Foot TLP's ½ mile by ½ mile construction site. The construction site outermost points are located at:

NW Corner 26–56–18.85 N, 090–31–26.44 W
NE Corner 26–56–18.85 N, 090–30–53.06 W
SE Corner 26–55–46.76 N, 090–30–53.06 W
SW Corner 26–55–46.76 N, 090–31–26.44 W

Transit into and through this area is prohibited beginning upon signature of this rule and will continue until construction efforts are complete. Deviation from this OCS safety zone is prohibited unless specifically authorized by the District Commander or a designated representative. Deviation requests will be considered and reviewed on a case-by-case basis.

The District Commander may be contacted by telephone at 1–800–939–7203.

E. Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on these statutes and executive orders.

1. Regulatory Planning and Review

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, as supplemented by Executive Order 13563, Improving Regulation and Regulatory Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of Executive Order 12866 or under section 1 of Executive Order 13563. The Office of Management and Budget has not reviewed it under those Orders. This rule is not a significant regulatory action due to the location of the Big Foot TLP—on the Outer Continental Shelf—and its distance from both land and safety fairways. Vessel traffic can pass safely around the safety zone using alternate routes. Deviation to transit through the safety zone may be requested. Such requests will be considered on a case-by-case basis and may be authorized by the Commander, Eighth Coast Guard District or a designated representative.

2. Impact on Small Entities

The Regulatory Flexibility Act of 1980 (RFA), 5 U.S.C. 601–612, as amended, requires federal agencies to consider the potential impact of regulations on small entities during rulemaking. 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 may affect the following entities, some of which might be small entities: The owners or operators of vessels intending to transit or anchor in Walker Ridge Block 29, where this safety zone is now established.

This safety zone will not have a significant economic impact or a substantial number of small entities for the following reasons: Vessel traffic can pass safely around the safety zone using an alternate route. Use of an alternate route may cause minimal delay in reaching a final destination, depending on other traffic in the area and vessel speed. Vessels may request deviation from this rule to transit through the safety zone. Such requests will be considered on a case-by-case basis and may be authorized by the Commander, Eighth Coast Guard District or a designated representative. Therefore, the Coast Guard expects any impact of this rulemaking establishing a safety zone around an OCS facility to be minimal, with no significant economic impact on small entities.

3. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT**, above.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

4. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

5. Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that Order and determined that this rule does not have implications for federalism.

6. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.

7. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

8. Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

9. Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

10. Protection of Children From Environmental Health Risks

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

11. Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

12. Energy Effects

This action is not a ''significant energy action'' under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use.

13. Technical Standards

This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

14. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321–4370f), and have made a preliminary determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves the establishment of a safety zone around an OCS Facility to protect life, property and the marine environment. This rule is categorically excluded from further review under paragraph 34(g) of Figure 2–1 of the Commandant Instruction. The environmental analysis checklist supporting this determination and Categorical Exclusion Determination are available in the docket where indicated under **ADDRESSES**.

List of Subjects in 33 CFR Part 147

Continental shelf, Marine safety, Navigation (water).

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 147 as follows:

PART 147—SAFETY ZONES

■ 1. The authority citation for part 147 continues to read as follows:

Authority: 14 U.S.C. 85; 43 U.S.C. 1333; and Department of Homeland Security Delegation No. 0170.1.

■ 2. Add § 147.861 to read as follows:

§ 147.861 Interim Big Foot TLP Construction Site safety zone.

(a) *Description.* The Big Foot Tension Leg Platform (TLP) construction site is in the deepwater area of the Gulf of Mexico at Walker Ridge 29. The Big Foot TLP construction site outermost points are located at:

NW Corner 26–56–18.85 N, 090–31–26.44 W

NE Corner 26–56–18.85 N, 090–30–53.06 W

SE Corner 26–55–46.76 N, 090–30–53.06 W

SW Corner 26–55–46.76 N, 090–31–26.44 W,

and the area within 500 meters of the construction site's outermost points, is a safety zone.

(b) *Regulation.* No vessel may enter or remain in this safety zone except the following:

(1) An attending vessel;

(2) A vessel authorized by the Commander, Eighth Coast Guard District or a designated representative.

Dated: June 3, 2015.

David R. Callahan,

Rear Admiral, U.S. Coast Guard, Commander, Eighth Coast Guard District.

[FR Doc. 2015–17620 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–15–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2015–0530]

RIN 1625–AA00

Safety Zones; Annual Events Requiring Safety Zones in the Captain of the Port Lake Michigan Zone—Chicago Air and Water Show

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce the safety zone for the Chicago Air and Water Show on a portion of Lake Michigan, on August 13, 2015 through August 18, 2015. This action is necessary and intended to ensure safety of life on the navigable waters of the United States immediately prior to, during, and immediately after the air and water show. During the enforcement period listed below, the Coast Guard will enforce restrictions upon, and control movement of, vessels in the safety zone. No person or vessel may enter the safety zone while it is being enforced without permission of the Captain of the Port Lake Michigan.

DATES: The regulations in 33 CFR 165.929 will be enforced for safety zone (f)(10), Table 33 CFR 165.929, on August 13, 2015, through August 18, 2015, from 8:30 a.m. until 5:00 p.m. on each day.

FOR FURTHER INFORMATION CONTACT: If you have questions on this document, call or email LT Lindsay Cook, Waterways Management Division, Marine Safety Unit Chicago, at 630–986–2155, email address *D09–DG–MSUChicago-Waterways@uscg.mil.*

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce the Safety Zone; Chicago Air and Water Show listed as item (f)(10) in Table 165.929 of 33 CFR 165.929. Section 165.929 lists many annual events requiring safety zones in the Captain of the Port Lake Michigan zone. This safety zone encompasses all waters and adjacent shoreline of Lake Michigan and Chicago Harbor bounded by a line drawn from 41°55.900′ N at the shoreline, then east to 41°55.900′ N, 087°37.200′ W, then southeast to 41°54.000′ N, 087°36.000′ W, then southwestward to the northeast corner of the Jardine Water Filtration Plant, then due west to the shore. This zone will be enforced on August 13, 2015, through August 18, 2015, from 8:30 a.m. until 5:00 p.m. on each day.

All vessels must obtain permission from the Captain of the Port Lake Michigan, or a designated on-scene representative to enter, move within, or exit this safety zone. Requests must be made in advance and approved by the Captain of the Port before transits will be authorized. Approvals will be granted on a case by case basis. Vessels and persons granted permission to enter the safety zone shall obey all lawful orders or directions of the Captain of the Port Lake Michigan, or his or her on-scene representative.

This document is issued under authority of 33 CFR 165.929, Safety Zones; Annual events requiring safety zones in the Captain of the Port Lake Michigan zone, and 5 U.S.C. 552(a). In addition to this publication in the **Federal Register,** the Coast Guard will provide the maritime community with advance notification of this enforcement period via Broadcast Notice to Mariners or Local Notice to Mariners. The Captain of the Port Lake Michigan, or a designated on-scene representative may be contacted via VHF Channel 16 during the event.

Dated: June 16, 2015.

A.B. Cocanour,

Captain, U.S. Coast Guard, Captain of the Port Lake Michigan.

[FR Doc. 2015–17614 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2015–0295]

RIN 1625–AA00; 1625–AA11

Safety Zones and Regulated Navigation Area; Shell Arctic Drilling/Exploration Vessels and Associated Voluntary First Amendment Area, Puget Sound, WA, Extension

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is extending the temporary safety zones and regulated navigation area that were previously established because the departure of several of the vessels associated with Royal Dutch Shell's (Shell) planned Arctic oil drilling and exploration operations have been delayed. The safety zones and regulated navigation area extended by this rule are necessary to ensure the mutual safety of all waterways users including the specified vessels and those individuals that desire to exercise their First Amendment rights.

DATES: This rule is effective without actual notice from July 17, 2015 through July 31, 2015. For purposes of enforcement, the rule is effective with actual notice from July 1, 2015 through July 17, 2015.

ADDRESSES: Documents mentioned in this preamble are part of docket USCG–2015–0295. To view documents mentioned in this preamble as being available in the docket, go to *http://www.regulations.gov,* type the docket number in the ''SEARCH'' box and click ''SEARCH.'' Click on Open Docket Folder on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule, call or email Lieutenant Matthew Beck, Waterways Management Division, Coast Guard Sector Puget Sound; telephone (206) 217–6051, email *SectorPugetSoundWWM@uscg.mil.* If you have questions on viewing or submitting material to the docket, call Barbara Hairston, Program Manager, Docket Operations, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

Table of Acronyms

DHS Department of Homeland Security
FR Federal Register
NPRM Notice of Proposed Rulemaking

A. Regulatory History and Information

The Coast Guard is issuing this temporary final rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are ''impracticable, unnecessary, or contrary to the public interest.'' Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because publishing an NPRM would be impracticable since the regulation is immediately necessary to help ensure the safety of all waterway users including the specified vessels and those individuals that desire to exercise their First Amendment rights and holding a notice and comment period at this time would delay regulatory implementation beyond the departure of the last Shell contracted vessel and expected First Amendment activities regarding Shell's operations, thereby increasing the safety risk to all waterways users.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. For reasons identical to those described above, delaying the effective date until 30 days after publication would be impracticable since the regulation is immediately necessary to help ensure the safety of all waterway users.

B. Basis and Purpose

The legal basis for this rule is the Coast Guard's authority to establish limited access areas: 33 U.S.C. 1231; 50 U.S.C. 191; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 0170.1.

Shell is planning Arctic oil drilling and exploration operations for the spring and summer of 2015. In preparation for those operations, it is staging a large number of vessels in the Puget Sound area. There has been a significant amount of First Amendment activity related to Shell's operations in the Puget Sound during the last month including the formation of a ''kayak flotilla'' used to exercise the participating individuals First Amendment rights regarding Shell's operations in the region. Among other activities, the ''kayak flotilla'' attempted to block the POLAR PIONEER's departure from Seattle, Washington. Also, Greenpeace International members conducted an unauthorized boarding of a Shell contracted vessel on the high seas. Draft restrictions, vessel maneuvering characteristics, and geographic/environmental conditions may constrain the ability of large commercial vessels (the Shell-contracted vessels) to maneuver in close quarters with other vessels, particularly small craft piloted by recreational operators. Intentional close-in interaction of these vessels will create an increased risk of collision, grounding, or personal injury for all parties. Furthermore, while moored or at anchor the vessels will have ongoing operations occurring onboard, some of which could pose a safety risk to other maritime traffic. The myriad of potential safety risks to all parties and the port itself is best addressed by mandating a minimum zone of separation. For these reasons, the Coast Guard believes that safety zones around the Shell-contracted vessels are necessary to ensure the safety of all waterways users.

Additionally, the Coast Guard believes that given the nature of the First Amendment activity expected and the likely type of vessels used by individuals desiring to express their First Amendment rights, namely kayaks and other small vessels, a regulated navigation area designating a Voluntary First Amendment Area is necessary to ensure the safety of those vessels and persons. The regulated navigation area encompassing the Voluntary First Amendment Area would do so by establishing it as a ''no wake'' area, which is particularly important for small boats such as kayaks, to better enable persons and vessels to congregate and exercise their First Amendment rights safely and without interference from or interfering with other maritime traffic.

This rule is extending the rule established at 33 Code of Federal Regulations (CFR) § 165.T13–289 as published in the **Federal Register** (80 FR 23445) due to the fact that the departure from the Puget Sound of several of the vessels associated with Shell's planned Arctic oil drilling and exploration operations have been delayed.

C. Discussion of the Final Rule

In this rule, the Coast Guard is extending the temporary safety zones and regulated navigation area established at 33 CFR 165.T13–289 as published in the **Federal Register** (80 FR 23445).

The safety zones are established in subsection (a) of this temporary regulation. Per subsection (a)(1)(i), while transiting, the safety zone around each of the vessels will encompass all waters within 500 yards of the vessel in all directions. Per subsection (a)(1)(ii), while moored or anchored, the safety zone around each of the vessels will encompass all waters within 100 yards of the vessel in all directions. Persons and/or vessels that desire to enter these safety zones must request permission to

do so from the Captain of the Port, Puget Sound by contacting the Joint Harbor Operations Center at 206–217–6001, or the on-scene Law Enforcement patrol craft, if any, via VHF–FM CH 16.

The Coast Guard is also establishing a regulated navigation area to ensure the safety of individuals that desire to exercise their First Amendment rights related to Shell's activities in subsection (b) of this regulation. The Voluntary First Amendment Area is being established in an area where we believe individuals will be able to effectively communicate their message, without posing an undue risk to maritime safety, after analyzing maritime traffic patterns and other environmental factors as well as meeting with some groups who have expressed a desire to exercise their First Amendment rights. The regulated navigation area encompassing the Voluntary First Amendment Area will ensure the safety of small boats by establishing it as a ''no wake'' area for persons and/or vessels to congregate and exercise their First Amendment rights safely and without interference from or interfering with other maritime traffic. The ''no wake'' provisions will ensure all interactions between vessels within the area occur at a low rate of speed, thereby reducing risk of collision and personal injury. Likewise, the designation of a Voluntary First Amendment Area will help to ensure that a large congregation of vessels does not impede or endanger other commercial and recreational users who are not associated with Shell's arctic drilling and exploration operations or the associated First Amendment activity.

These provisions are particularly vital given the expected presence of the ''kayak flotilla'' described above. Persons or vessels desiring to exercise their First Amendment rights to free speech regarding Shell's Arctic drilling and exploration operations may enter the regulated navigation area at any time. All other persons or vessels are advised to avoid the regulated navigation area. When inside the regulated navigation area, all vessels must proceed at ''no wake'' speed and with due regard for all other persons and/or vessels inside the regulated navigation area.

D. Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on these statutes and executive orders.

1. Regulatory Planning and Review

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, as supplemented by Executive Order 13563, Improving Regulation and Regulatory Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of Executive Order 12866 or under section 1 of Executive Order 13563. The Office of Management and Budget has not reviewed it under those Orders. This rule is not a significant regulatory action as the safety zones and regulated navigation area are limited in both size and duration and any person and/or vessel needing to transit through the safety zones or regulated navigation area may be allowed to do so in accordance with the regulatory provisions.

2. Impact on Small Entities

The Regulatory Flexibility Act of 1980 (RFA), 5 U.S.C. 601–612, as amended, requires federal agencies to consider the potential impact of regulations on small entities during rulemaking. 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 will not have a significant economic impact on a substantial number of small entities. This rule will affect the following entities, some of which may be small entities: the owners or operators of vessels intending to transit the affected waterways when the safety zones and regulated navigation areas are in effect. The safety zones and regulated navigation areas will not have a significant economic impact on a substantial number of small entities, however, because the safety zones and regulated navigation area are limited in both size and duration and any person and/or vessel needing to transit through the safety zones or regulated navigation area may be allowed to do so in accordance with the regulatory provisions.

3. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the **FOR FURTHER INFORMATION CONTACT**, above.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

4. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

5. Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that Order and determined that this rule does not have implications for federalism.

6. First Amendment Activities

The Coast Guard respects the First Amendment rights of all individuals. This regulation establishes a regulated navigation area to create a Voluntary First Amendment Area so that persons and vessels can congregate and exercise their First Amendment free speech rights safely and without interference from or interfering with other maritime traffic. Of particular note, large vessels operating in restricted waters cannot maneuver freely, nor can they stop immediately. As such, any First Amendment activity taking place in immediate proximity to such vessels can quickly result in extremis. The Voluntary First Amendment Area has been located to allow individuals a meaningful opportunity to be heard. Individuals that desire to exercise their First Amendment rights are asked utilize the designated area to the extent possible, however, its use is voluntary. Individuals that desire to exercise their First Amendment rights outside the designated area are requested to contact the person listed in the **FOR FURTHER**

INTFORMATION CONTACT section to coordinate their activities so that their message can be heard, without jeopardizing the safety or security of people, places, or vessels.

7. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

8. Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

9. Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

10. Protection of Children

We have analyzed this rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not create an environmental risk to health or risk to safety that may disproportionately affect children.

11. Indian Tribal Governments

This rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

12. Energy Effects

This action is not a ''significant energy action'' under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use.

13. Technical Standards

This rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

14. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves the establishment of temporary safety zones and a regulated navigation area to deal with an emergency situation that is one week or longer in duration. This rule is categorically excluded from further review under paragraph 34(g) of Figure 2–1 of the Commandant Instruction. An environmental analysis checklist supporting this determination and a Categorical Exclusion Determination are available in the docket where indicated under **ADDRESSES**.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1231; 50 U.S.C. 191; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 0170.1.

■ 2. Add § 165.T13–289 to read as follows:

§ 165.T13–289 Safety Zones and Regulated Navigation Area; Shell Arctic Drilling/Exploration Vessels and Associated Voluntary First Amendment Area, Puget Sound, WA, Extension.

(a) *Safety Zones*—(1) *Location.* The following areas are designated as safety zones:

(i) All waters within 500 yards of the following vessels while transiting within the U.S. Territorial or Internal Waters of the Sector Puget Sound Captain of the Port Zone as defined in 33 CFR 3.65–10: NOBLE DISCOVERER, BLUE MARLIN, POLAR PIONEER, AIVIQ, FENNICA, NORDICA, ROSS CHOUEST, TOR VIKING, OCEAN WIND, OCEAN WAVE, HARVEY SISUAQ, HARVEY CHAMPION, HARVEY SUPPORTER, HARVEY EXPLORER, NANUQ, GUARDSMAN, KLAMATH, PT OLIKTOK, ARCTIC ENDEAVOR, CORBIN FOSS, ACS, ARCTIC CHALLENGER, ARCTIC SEAL, CROWLEY DIANA G, LAUREN FOSS, TUUQ, BARBARA FOSS, AMERICAN TRADER, and any other vessel actively engaged in towing or escorting those vessels.

(ii) All waters within 100 yards of the following vessels while moored or anchored within the U.S. Territorial or Internal Waters of the Sector Puget Sound Captain of the Port Zone as defined in 33 CFR 3.65–10: NOBLE DISCOVERER, BLUE MARLIN, POLAR PIONEER, AIVIQ, FENNICA, NORDICA, ROSS CHOUEST, TOR VIKING, OCEAN WIND, OCEAN WAVE, HARVEY SISUAQ, HARVEY CHAMPION, HARVEY SUPPORTER, HARVEY EXPLORER, NANUQ, GUARDSMAN, KLAMATH, PT OLIKTOK, ARCTIC ENDEAVOR, CORBIN FOSS, ACS, ARCTIC CHALLENGER, ARCTIC SEAL, CROWLEY DIANA G, LAUREN FOSS, TUUQ, BARBARA FOSS, AMERICAN TRADER, and any other vessel actively engaged in towing or escorting the listed vessels.

(2) *Regulations.* In accordance with the general regulations in 33 CFR part 165 Subpart C, no persons or vessels may enter these safety zones unless authorized by the Captain of the Port, Puget Sound or his designated representative. To request permission to enter one of these safety zones contact the Joint Harbor Operations Center at 206–217–6001, or the on-scene Law Enforcement patrol craft, if any, via VHF–FM CH 16. If permission for entry into one of these safety zones is granted, vessels must proceed at a minimum speed for safe navigation.

(b) *Regulated navigation area*—(1) *Location.* The following area is designated as a regulated navigation area: All waters of Elliot Bay encompassed by lines connecting the following points located between Seacrest Park and Terminal 5: 47°35′20.47″ N, 122°21′53.32″ W; thence south to 47°35′11.54″ N, 122°21′53.24″ W; thence west to 47°35′11.47″ N, 122°22′26.44″ W; thence north to 47°35′20.47″ N, 122°22′26.40″ W; thence back to the point of origin.

(2) *Regulations.* In accordance with the general regulations in 33 CFR part 165 Subpart B, persons or vessels desiring to exercise their First Amendment right to free speech regarding Royal Dutch Shell's Arctic drilling and exploration operations may enter the regulated navigation area at any time. All other persons or vessels

are advised to avoid the regulated navigation area. When inside the regulated navigation area, all vessels must proceed at no wake speed and with due regard for all other persons and/or vessels inside the regulated navigation area.

(c) *Dates.* This rule will be enforced from July 1, 2015 through July 31, 2015.

Dated: June 29, 2015.

R.T. Gromlich,

Rear Admiral, U.S. Coast Guard, Commander, Thirteenth Coast Guard District.

[FR Doc. 2015–17615 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–04–P

POSTAL SERVICE

39 CFR Part 501

Revisions to the Requirements for Authority To Manufacture and Distribute Postage Evidencing Systems

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: The Postal Service is revising the rules concerning authorization to manufacture and distribute postage evidencing systems to reflect new revenue assurance practices.

DATES: *Effective:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Marlo Kay Ivey, Business Systems Analyst, Payment Technology, U.S. Postal Service, (202) 268–7613

SUPPLEMENTARY INFORMATION: On April 23, 2015, the United States Postal Service published a proposed rule to amend 39 CFR part 501 to support the automated revenue assurance program currently in development. (*See,* 80 FR 22661). Comments were received from two industry stakeholders. The first comment generally supported the proposed rule as written. The second comment suggested that the proposed rule should be clarified to apply only to PC Postage systems, and not postage meters. Further, it suggested that the proposal inadequately addressed the cost burden that would be imposed on PC Postage providers, and should provide additional detail regarding account suspension processes, adjustments for overpayment of postage, and the role of the PC Postage provider in the dispute resolution process.

The Postal Service believes that the rule as proposed is appropriately written to encompass all postage evidencing systems. While initial automated collection efforts will be facilitated by PC Postage vendors, all customers should pay postage accurately, regardless of the postage technology they elect to use. As automated solutions become available for the various postage evidencing systems USPS will coordinate implementation plans with the parties concerned. Current manual efforts employed by the Postal Service to collect proper postage are costly and inefficient. An automated approach will reduce costs and improve overall recovery efforts. The costs of program administration will be acknowledged and considered as the USPS establishes operative recovery thresholds and certain other program related business rules. Account suspension, however, is already specifically addressed in postal regulations not modified by this proposal (*see,* 39 CFR 501.6), and we see no current need for further clarifications in these regulations. We further believe that the proposed rule as written (in conjunction with current 39 CFR 501.11 and 501.12) appropriately discusses PC Postage provider participation in the dispute process. The Postal Service is working diligently to ensure the quality and accuracy of postage evidencing data using automated process controls, and may elect to make such adjustments to our rules in the future as are required to achieve that end. At this time, however, we believe it is appropriate to publish this final rule.

List of Subjects in 39 CFR Part 501

Administrative practice and procedure.

Accordingly, for the reasons stated, 39 CFR part 501 is amended as follows:

PART 501—AUTHORIZATION TO MANUFACTURE AND DISTRIBUTE POSTAGE EVIDENCING SYSTEMS

■ 1. The authority citation for 39 CFR part 501 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 410, 2601, 2605, Inspector General Act of 1978, as amended (Pub. L. 95–452, as amended); 5 U.S.C. App. 3.

■ 2. In § 501.1, revise paragraph (g) to read as follows:

§ 501.1 Definitions.

* * * * *

(g) A *customer* is a person or entity authorized by the Postal Service to use a Postage Evidencing System as an end user in accordance with *Mailing Standards of the United States Postal Service,* Domestic Mail Manual (DMM), including 604 Postage Payment Methods and Refunds, 4.0 Postage Meters and PC Postage Products (Postage Evidencing Systems).

■ 3. In § 501.2, revise paragraph (d) to read as follows:

§ 501.2 Postage Evidencing System Provider authorization.

* * * * *

(d) Approval shall be based upon satisfactory evidence of the applicant's integrity and financial responsibility, commitment to comply with the Postal Service's revenue assurance practices as outlined in section 501.16, and a determination that disclosure to the applicant of Postal Service customer, financial, or other data of a commercial nature necessary to perform the function for which approval is sought would be appropriate and consistent with good business practices within the meaning of 39 U.S.C. 410(c)(2). The Postal Service may condition its approval upon the applicant's agreement to undertakings that would give the Postal Service appropriate assurance of the applicant's ability to meet its obligations under this section, including but not limited to the method and manner of performing certain financial, security, and servicing functions and the need to maintain sufficient financial reserves to guarantee uninterrupted performance of not less than 3 months of operation.

* * * * *

■ 4. In § 501.16 add paragraph (i) to read as follows:

§ 501.16 PC postage payment methodology.

* * * * *

(i) *Revenue Assurance.* To operate PC Postage systems, the provider must support business practices to assure Postal Service revenue and accurate payment from customers. Specifically, the provider is required to notify the customer and adjust the balance in the postage evidencing system or otherwise facilitate postage corrections to address any postage discrepancies as directed by the Postal Service, subject to the applicable notification periods and dispute mechanisms available to customers for these corrections. The Postal Service will supply the provider with the necessary detail to justify the correction and amount of the postage correction to be used in the adjustment process. The provider must supply customers with visibility into the identified postage correction, facilitate a payment adjustment from the customer in the amount equivalent to the identified postage discrepancies to the extent possible, and enable customers to submit electronic disputes of such postage discrepancies to the Postal Service. Further if the Customer does not have funds sufficient to cover the amount of the discrepancies or the postage discrepancies have not been resolved, the provider may be required to temporarily suspend or permanently

shut down the customer's ability to print PC Postage as described in the Domestic Mail Manual section 604.4.

■ 5. In § 501.18, revise paragraph (b)(2) and add paragraph (c)(6) to read as follows:

§ 501.18 Customer information and authorization.

* * * * *

(b)

* * * * *

(2) Within five years preceding submission of the information, the customer violated any standard for the care or use of the Postage Evidencing System, including any unresolved identified postage discrepancies that resulted in revocation of that customer's authorization.

* * * * *

(c)

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(6) The customer has any unresolved postage discrepancies.

* * * * *

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17533 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2013–0193; FRL–9930–41–Region 5]

Approval of Air Quality Implementation Plans; Indiana; Lead Rule Revisions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a request submitted on March 14, 2013, and supplemented on November 17, 2014, by the Indiana Department of Environmental Management (IDEM) to revise the state implementation plan (SIP) for lead. The submittal updates Indiana's lead rule at Title 326 of the Indiana Administrative Code (IAC), Article 15. It also amends 326 IAC Article 20, to incorporate some of the provisions of EPA's National Emission Standard for Hazardous Air Pollutants (NESHAP) for secondary lead smelters. IDEM made the revisions to increase the stringency and clarity of Indiana's lead SIP rules.

DATES: This direct final rule will be effective September 15, 2015, unless EPA receives adverse comments by August 17, 2015. If adverse comments are received, EPA will publish a timely withdrawal of the direct final rule in the **Federal Register** informing the public that the rule will not take effect.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2013–0193, by one of the following methods:

1. *www.regulations.gov:* Follow the on-line instructions for submitting comments.
2. *Email: blakley.pamela@epa.gov.*
3. *Fax:* (312) 692–2450.
4. *Mail:* Pamela Blakley, Chief, Control Strategies Section, Air Programs Branch (AR–18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.
5. *Hand Delivery:* Pamela Blakley, Chief, Control Strategies Section, Air Programs Branch (AR–18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604. Such deliveries are only accepted during the Regional Office normal hours of operation, and special arrangements should be made for deliveries of boxed information. The Regional Office official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Instructions: Direct your comments to Docket ID No. EPA–R05–OAR–2013–0193. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *www.regulations.gov* or email. The *www.regulations.gov* Web site is an ''anonymous access'' system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through *www.regulations.gov* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the docket are listed in the *www.regulations.gov* index. Although listed in the index, some information is not publicly available, *e.g.,* CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in *www.regulations.gov* or in hard copy at the Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604. This Facility is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays. We recommend that you telephone Charles Hatten, Environmental Engineer, (312) 886–6031 before visiting the Region 5 office.

FOR FURTHER INFORMATION CONTACT: Charles Hatten, Environmental Engineer, Control Strategies Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886–6031, *hatten.charles@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean EPA. This supplementary information section is arranged as follows:

I. Background: Lead SIP and NESHAP Rules
II. Discussion of State Submittal
III. What action is EPA taking?
IV. Incorporation by Reference
IV. Statutory and Executive Order Reviews

I. Background: Lead SIP and NESHAP

Indiana's SIP rules for lead are contained in two separate parts of the State's regulations. The first is Article 15, which EPA approved on August 17, 1989 (See 54 FR 33894). This provision addresses lead-bearing emissions from processes and fugitive dust from several facilities in Indiana.

The second regulatory provision is 326 IAC 20–13, which EPA approved on January 15, 2008 (77 FR 2248). This section contains a partial incorporation by reference of EPA's June 13, 1997, NESHAP for secondary lead smelting at 40 CFR part 63, subpart X (62 FR 32209). This includes: 1) 326 IAC 20–13–1(c) [incorporation by reference of 40 CFR part 63, subpart X, NESHAP (June 13, 1997; 62 FR 32209), with exceptions]; 2) 326 IAC 20–13–2(a) [source-specific lead emission limits

and filter requirements for secondary lead smelter, Quemetco Incorporated (Quemetco)]; and 3) 326 IAC 20–13–6 [compliance testing requirements].

On January 5, 2012 (77 FR 556), EPA published amendments to the NESHAP for secondary lead smelting. The final rule revised the standards for secondary lead smelters based on the residual risk and technology reviews required under section 112(f) of the Clean Air Act (CAA), 42 U.S.C. 7412(f). In addition to revising the emission limits for lead compounds, the amendments to the NESHAP included: Revisions to standards for fugitive emissions; addition of total hydrocarbon, dioxin, and furans emission limits for reverberatory and electric arc furnaces; modification and addition of testing and monitoring, recordkeeping and reporting requirements.

On March 14, 2013, and supplemented on November 17, 2014, IDEM submitted a request to revise the SIP to update its lead rule at 326 IAC 15. IDEM published several newspaper notices informing the public of the revisions to 326 IAC 15 and 326 IAC 20. A public hearing on these revisions was held on November 7, 2012. There were no comments received.[1]

II. Discussion of State Submittal

Below is a discussion of Indiana's rules, including an identification of any significant changes from the previously approved SIP lead rules.

Rule 326 IAC 15, Lead

IDEM made several administrative revisions to Article 15 to clarify the language in the rule. In section 2 of this rule, IDEM removed obsolete rule language for sources no longer in operation.

In section 3 of this rule, ''Control of fugitive lead dust,'' IDEM made minor revisions by removing unnecessary language. For instance, the language in this section of the rule instructs sources listed section 2 to submit their fugitive dust control program to ''the department of environmental management, office of air management.'' IDEM deleted the words ''of environmental management, office of air management'' in the revised rule language to simply direct the sources to submit its fugitive dust control programs to ''the department.''

In section 4 of this rule, ''Compliance,'' IDEM made a revision to correct the citation for the appropriate source sampling procedures. Previously, the SIP the source sampling procedures were in 326 IAC 3–2. IDEM has relocated these to 326 IAC 3–6.

EPA finds these administrative changes approvable in Indiana's SIP.

Rule 326 IAC 20, Secondary Lead Smelting

Consistent with amendments to the NESHAP, Indiana added 326 IAC 20–13.1, which incorporates portions of this rule. More specifically, it contains standards for process and fugitive sources at secondary lead smelters, test methods, fugitive dust control, standard operating procedures for baghouses, and monitoring and recordkeeping requirements, which are covered by other portions of 326 IAC 20–13. When IDEM adopted rule 326 IAC 20–13.1, it did not include any exclusions to the rule that would exempt secondary lead smelters from complying with any operating and testing requirements consistent with the NESHAP. Thus, the secondary lead smelter rule at 326 IAC 20–13.1 provides clarity to the applicability, operating, and testing requirements for secondary lead smelters.

Second, the revisions to the NESHAP revised the lead emission limits that apply to process and process fugitive, and stacks venting fugitive dust emissions. The lead emission limit from process and process fugitive sources was revised from 2.0 milligrams of lead/dry standard cubic meter (mg/dscm) to 1.0 mg/dscm. The lead emission limit for stacks venting fugitive dust emissions was revised from 2.0 mg/dscm to 0.5 mg/dscm.

In the current SIP, EPA approved source-specific lead emission limits that apply to the secondary lead smelting facility owned and operated by Quemetco. Quemetco is located in Indianapolis, Indiana. For Quemetco, the lead emission limits that apply to a specific process and process fugitive dust, and stacks venting fugitive dust emissions are already as stringent as the NESHAP. IDEM has relocated these limits to 326 IAC 20–13.1–4.

In addition to lead emission limits for Quemetco, IDEM included source-specific lead emission limits for the Muncie (Delaware County), Indiana secondary lead smelting facility owned and operated by Exide Technologies (Exide) at 326 IAC 20–13.1–3. The rule contains lead emission limits for specific processes and process fugitive dust lead emissions at Exide. These emission limits are at levels as stringent as the NESHAP.

When revising the NESHAP for secondary lead smelting, EPA established a facility-wide, flow weighted average, lead emissions limit from stacks of 0.20 mg/dscm. IDEM incorporated this emission limit into 326 IAC 20–13.1–5.

Indiana has requested that EPA approve all portions of 326 IAC 20–13.1 into the SIP, with the following exceptions:

(A.) All provisions related to dioxins, furans, total hydrocarbons, in the following provisions:

(1) 326 IAC 20–13.1–5(d); (2) 326 IAC 20–13.1–5(f); (3) 326 IAC 20–13.1–5(g); (4) 326 IAC 20–13.1–5(i); (5) 326 IAC 20–13.1–5(j); (6) 326 IAC 20–13.1–10(e); (7) 326 IAC 20–13.1–11(d); (8) 326 IAC 20–13.1–11(e); (9) 326 IAC 20–13.1–12(b); (10) 326 IAC 20–13.1–12(c); (11) 326 IAC 20–13.1–12(d); (12) 326 IAC 20–13.1–12(e); (13) 326 IAC 20–13.1–14(e)(2); and (14) 326 IAC 20–13.1–14(e)(3), related to total hydrocarbon.

(B.) certain ''General Provisions'' and notification provisions under the Federal NESHAP, identified in 326 IAC 20–13.1–1(d); 326 IAC 20–13.1–13(a),[2]

(C.) 326 IAC 20–13.1–15, concerning the affirmative defense to civil penalties for an exceedance of the emissions limit during malfunctions.[3]

IDEM decided that the changes to 326 IAC Article 20 required the removal of any duplicate or conflicting emission limits or other requirements that presently exist in 326 IAC 20–13 in the transition to the new requirements in 326 IAC 20–13.1, and thus, repealed 326 IAC 20–13.

EPA finds the lead emission limits for secondary lead smelters in 326 IAC 20–13.1 are more stringent than and will thus strengthen Indiana's current lead SIP. As such, they are approvable.

III. What action is EPA taking?

EPA is approving Indiana's March 14, 2013, SIP revision request, as supplemented on November 17, 2014, which addresses lead sources in the state. The submission consists of updates and clarifications to Indiana's lead SIP rule at 326 IAC Article 15. It also amends 326 IAC Article 20, to incorporate some of the provisions of EPA's NESHAP for secondary lead smelters at 326 IAC 20–13.1. EPA will take no action on the provision of this rule related to (1) dioxins, furans, and total hydrocarbons, (2) identified

[1] It should be noted that IDEM's March 14, 2013 submission contained a Final Attainment Demonstration and technical Support Document for the Muncie, Delaware County, Indiana Lead Nonattainment Area. Indiana withdrew that portion of the submission on November 17, 2014.

[2] These provisions remain federally enforceable by EPA.

[3] EPA has issued a finding that certain SIP revisions relating to startup, shutdown and malfunction (SSM) in 36 states are substantially inadequate to meet the Act's requirements. Included in this ''SIP call'' are ''affirmative defense'' provisions for SSM events. 80 FR 33480 (June 12, 2015).

NESHAP requirements, and (3) the affirmative defense to civil penalties for an exceedance of the emissions limit during malfunctions. It should be noted that this action in no way affects the continued enforceability of the NESHAP at 40 CFR part 63, subpart X.

We are publishing this action without prior proposal because we view this as a noncontroversial amendment and anticipate no adverse comments. However, in the proposed rules section of this **Federal Register** publication, we are publishing a separate document that will serve as the proposal to approve the state plan if relevant adverse written comments are filed. This rule will be effective September 15, 2015 without further notice unless we receive relevant adverse written comments by August 17, 2015. If we receive such comments, we will withdraw this action before the effective date by publishing a subsequent document that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on the proposed action. The EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment. If we do not receive any comments, this action will be effective September 15, 2015.

IV. Incorporation by Reference

In this rule, EPA is finalizing regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, EPA is finalizing the incorporation by reference of the Indiana regulations described in the amendments to 40 CFR part 52 set forth below. The EPA has made, and will continue to make, these documents generally available electronically through *www.regulations.gov* and/or in hard copy at the appropriate EPA office (see the **ADDRESSES** section of this preamble for more information).

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a ''significant regulatory action'' subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

The Congressional Review Act, 5 U.S.C. 801 *et seq.,* as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by September 15, 2015. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. Parties with objections to this direct final rule are encouraged to file a comment in response to the parallel notice of proposed rulemaking for this action published in the proposed rules section of this **Federal Register**, rather than file an immediate petition for judicial review of this direct final rule, so that EPA can withdraw this direct final rule and address the comment in the proposed rulemaking. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Emissions reporting, Incorporation by reference, Lead, Reporting and recordkeeping requirements.

Dated: July 2, 2015.

Susan Hedman,

Regional Administrator, Region 5.

40 CFR part 52 is amended as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

■ 1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

■ 2. Section 52.770, the table in paragraph (c) is amended by:

■ a. Revising the entries under ''Article 15. Lead Rules''.

■ b. Revising the entries under ''Article 20. Hazardous Air Pollutants''.

The revisions read as follows:

§ 52.770 Identification of plan.

* * * * *

(c) * * *

EPA-APPROVED INDIANA REGULATIONS

Indiana citation	Subject	Indiana effective date	EPA Approval date	Notes
*	*	*	*	*
Article 15. Lead Rules				
Rule 1. Lead Emission Limitations				
15–1–2	Source-specific provisions	3/1/2013	7/17/2015, [insert **Federal Register** citation].	
15–1–3	Control of fugitive lead dust.	3/1/2013	7/17/2015, [insert **Federal Register** citation].	
15–1–4	Compliance	3/1/2013	7/17/2015, [insert **Federal Register** citation].	
*	*	*	*	*
Article 20. Hazardous Air Pollutants				
Rule 10 Bulk Gasoline Distribution Facilities				
20–10–1	Applicability; incorporation by reference of federal standards.	11/14/1999	5/31/2002, 67 FR 38006.	
Rule 20–13.1 Secondary Lead Smelters				
20–13.1–1	Applicability	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (a)–(c), (e), and (f)
20–13.1–2	Definitions	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–3	Emission limitations; lead standards for Exide Technologies, Incorporation.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–4	Emission limitations; lead standards for Quemetco, Incorporated.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–5	Emission limitations and operating provisions.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (a)–(c), (e), and (h)
20–13.1–6	Total enclosure requirements.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–7	Total enclosure monitoring requirements.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–8	Fugitive dust source requirements.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–9	Bag leak detection system requirements.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	
20–13.1–10	Other requirements	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (a)–(d), (f) and (g)
20–13.1–11	Compliance testing	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (a)–(c), and (f)
20–13.1–12	Compliance testing methods.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Section (a)
20–13.1–13	Notification requirements	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (b)–(d)
20–13.1–14	Record keeping and reporting requirements.	3/1/2013	7/17/2015, [insert **Federal Register** citation]	Sections (a)–(d), (e)(1), and (e)(4)–(e)(14)
*	*	*	*	*

* * * * *

[FR Doc. 2015–17474 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 60

[EPA–HQ–OAR–2013–0696; FRL–9929–25–OAR]

RIN 2060–AR81

Performance Specification 18—Performance Specifications and Test Procedures for Hydrogen Chloride Continuous Emission Monitoring Systems at Stationary Sources

Correction

In rule document 2015–16385, appearing on pages 38628 through 38652 in the issue of Tuesday, July 7, 2015, make the following correction:

On page 38646, in the first column, in the last paragraph, in the sixth line, ''+5'' should read ''±5''.

[FR Doc. C1–2015–16385 Filed 7–16–15; 8:45 am]

BILLING CODE 1505–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA–HQ–OPP–2015–0396; FRL–9929–95]

Thiabendazole; Pesticide Tolerances for Emergency Exemptions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes a time-limited tolerance for residues of thiabendazole in or on succulent shelled peas.

This action is associated with the utilization of a crisis exemption under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) authorizing use of the pesticide as a seed treatment on succulent pea seeds. This regulation establishes a maximum permissible level for residues of thiabendazole in or on this commodity. The time-limited tolerance expires on December 31, 2018.

DATES: This regulation is effective July 17, 2015. Objections and requests for hearings must be received on or before September 15, 2015, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2015–0396, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460–0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the OPP Docket is (703) 305–5805. Please review the visitor instructions and additional information about the docket available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Susan Lewis, Registration Division (7505P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001; main telephone number: (703) 305–7090; email address: *RDFRNotices@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

B. How can I get electronic access to other related information?

You may access a frequently updated electronic version of 40 CFR part 180 through the Government Printing Office's e-CFR site at *http://www.ecfr.gov/cgi-bin/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title40/40tab_02.tpl.*

C. How can I file an objection or hearing request?

Under section 408(g) of the Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 346a, any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by EPA, you must identify docket ID number EPA–HQ–OPP–2015–0396 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing, and must be received by the Hearing Clerk on or before September 15, 2015. Addresses for mail and hand delivery of objections and hearing requests are provided in 40 CFR 178.25(b).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice. Submit the non-CBI copy of your objection or hearing request, identified by docket ID number EPA–HQ–OPP–2015–0396, by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be CBI or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), (28221T), 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at *http://www.epa.gov/dockets/contacts.html.*

Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

II. Background and Statutory Findings

EPA, on its own initiative, in accordance with FFDCA sections 408(e) and 408(l)(6), 21 U.S.C. 346a(e) and 346a(1)(6), is establishing a time-limited tolerance for the combined residues of the fungicide thiabendazole (2-(4-thiazolyl)benzimidazole) and its metabolite benzimidazole (free and conjugated) in or on pea, succulent shelled at 0.02 parts per million (ppm). This time-limited tolerance expires on December 31, 2018.

Section 408(l)(6) of FFDCA requires EPA to establish a time-limited tolerance or exemption from the requirement for a tolerance for pesticide chemical residues in food that will result from the use of a pesticide under an emergency exemption granted by EPA under FIFRA section 18. Such tolerances can be established without providing notice or period for public comment. EPA does not intend for its actions on FIFRA section 18 related

time-limited tolerances to set binding precedents for the application of FFDCA section 408 and the safety standard to other tolerances and exemptions. Section 408(e) of FFDCA allows EPA to establish a tolerance or an exemption from the requirement of a tolerance on its own initiative, *i.e.,* without having received any petition from an outside party.

Section 408(b)(2)(A)(i) of FFDCA allows EPA to establish a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) of FFDCA defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) of FFDCA requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue. . . .''

Section 18 of FIFRA authorizes EPA to exempt any Federal or State agency from any provision of FIFRA, if EPA determines that ''emergency conditions exist which require such exemption.'' EPA has established regulations governing such emergency exemptions in 40 CFR part 166.

III. Emergency Exemption for Thiabendazole on Succulent Peas and FFDCA Tolerances

The emergency exemption to treat pea seed with thiabendazole was requested by the State of Idaho (Applicant) because the seed will be treated in Idaho. However, the seed is being planted in Minnesota, Illinois, and Wisconsin, where the emergency conditions exist. Pea growers in these states are faced with a new complex of pea root and foliar disease pathogens that current cultural practices, varieties, and seed treatments do not manage. Pea crop failure in commercial fields has become a severe problem and growers have experienced rapidly increasing yield losses within the pea production area each year for several years.

The Applicant asserts that an emergency condition exists in accordance with the criteria for approval of an emergency exemption, and has utilized a crisis exemption under FIFRA section 18 to allow the use of thiabendazole on as a seed treatment on succulent peas in Idaho for control of Fusarium and Ascochyta blight in Minnesota, Illinois, and Wisconsin.

As part of its evaluation of the emergency exemption application, EPA assessed the potential risks presented by residues of thiabendazole in or on succulent peas. In doing so, EPA considered the safety standard in FFDCA section 408(b)(2), and EPA decided that the necessary tolerance under FFDCA section 408(l)(6) would be consistent with the safety standard and with FIFRA section 18. Consistent with the need to move quickly on the emergency exemption in order to address an urgent non-routine situation and to ensure that the resulting food is safe and lawful, EPA is issuing this tolerance without notice and opportunity for public comment as provided in FFDCA section 408(l)(6). Although this time-limited tolerance expires on December 31, 2018, under FFDCA section 408(l)(5), residues of the pesticide not in excess of the amounts specified in the tolerance remaining in or on succulent peas after that date will not be unlawful, provided the pesticide was applied in a manner that was lawful under FIFRA, and the residues do not exceed a level that was authorized by these time-limited tolerances at the time of that application. EPA will take action to revoke these time-limited tolerances earlier if any experience with, scientific data on, or other relevant information on this pesticide indicate that the residues are not safe.

Because this time-limited tolerance is being approved under emergency conditions, EPA has not made any decisions about whether thiabendazole meets FIFRA's registration requirements for use on succulent peas or whether permanent tolerances for this use would be appropriate. Under these circumstances, EPA does not believe that this time-limited tolerance decision serves as a basis for registration of thiabendazole by a State for special local needs under FIFRA section 24(c). Nor does this tolerance by itself serve as the authority for persons in any State other than Idaho to use this pesticide on the applicable crops under FIFRA section 18 absent the issuance of an emergency exemption applicable within that State. For additional information regarding the emergency exemption for thiabendazole, contact the Agency's Registration Division at the address provided under **FOR FURTHER INFORMATION CONTACT**.

IV. Aggregate Risk Assessment and Determination of Safety

Section 408(b)(2)(A)(i) of FFDCA allows EPA to establish a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) of FFDCA defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) of FFDCA requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue. . . .''

Consistent with the factors specified in FFDCA section 408(b)(2)(D), EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of and to make a determination on aggregate exposure expected as a result of this emergency exemption request and the time-limited tolerance for combined residues of the fungicide thiabendazole (2-(4-thiazolyl)benzimidazole) and its metabolite benzimidazole (free and conjugated) on succulent shelled peas at 0.02 ppm.

EPA recently updated its dietary risk assessment in connection with a **Federal Register** rule on September 25, 2014 (79 FR 57450) (FRL–9915–78) establishing permanent tolerances for residues of thiabendazole in or on multiple commodities, and has evaluated the potential increase in exposure resulting from the Section 18 emergency exemption use of thiabendazole on succulent shelled peas (*Pisum spp.,* including English pea, garden pea, and green pea). Based on the supporting residue chemistry data, the combined residues of thiabendazole and benzimidazole in/on succulent shelled peas (*Pisum spp.,* including English pea, garden pea, and green pea) are estimated at 0.01 ppm (*i.e.,* ½ limit on quantitation (LOQ) for each analyte) for the Section 18 emergency exemption use. To estimate the contribution to drinking water residues resulting from the emergency seed treatment use on succulent shelled peas, EPA relied on

the drinking water residue estimates for the currently registered seed treatment use on wheat at 0.20 lbs. active ingredient/acre (ai/A), which is higher than the 0.083 lbs. ai/A maximum seed treatment use allowed under the emergency exemption. The addition of the emergency use on succulent shelled peas and the assumption of 100% of succulent shelled peas treated did not change the findings of the most recent dietary exposure and risk assessment which are discussed in the **Federal Register** of September 25, 2014. The Agency's exposure and risk assessment for the emergency use on succulent shelled peas is discussed in greater detail in ''Section 18 Emergency Exemption for the Use of Thiabendazole as a Seed Treatment on Succulent Peas in Bonneville and Latah Counties in Idaho,'' May 14, 2015, available in docket at the address provided under **ADDRESSES.**

Because the Section 18 emergency use of thiabendazole on succulent shelled peas will result in negligible increases in dietary exposure to all subgroups relative to the safety findings reached in the September 25, 2014 **Federal Register** Notice, EPA concludes that there is a reasonable certainty that no harm will result to the general population, or to infants and children, from aggregate exposure to thiabendazole residues.

V. Other Considerations

A. Analytical Enforcement Methodology

Acceptable enforcement analytical methods are available for thiabendazole and benzimidazole in plant commodities. Four spectrophoto fluoro metric methods for the determination of thiabendazole are published in the Pesticide Analytical Manual (PAM) Vol. II, and a high performance liquid chromatography (HPLC) method with fluorescence detection (FLD) for the determination of benzimidazole (free and conjugated) is identified in the U.S. EPA Index of Residue Analytical Methods under thiabendazole as Study No. 93020.

B. International Residue Limits

In making its tolerance decisions, EPA seeks to harmonize U.S. tolerances with international standards whenever possible, consistent with U.S. food safety standards and agricultural practices. EPA considers the international maximum residue limits (MRLs) established by the Codex Alimentarius Commission (Codex), as required by FFDCA section 408(b)(4). The Codex Alimentarius is a joint United Nations Food and Agriculture Organization/World Health Organization food standards program, and it is recognized as an international food safety standards-setting organization in trade agreements to which the United States is a party. EPA may establish a tolerance that is different from a Codex MRL; however, FFDCA section 408(b)(4) requires that EPA explain the reasons for departing from the Codex level.

The Codex has not established a MRL for thiabendazole in or on the requested commodity.

VI. Conclusion

Therefore, a time-limited tolerance is established for residues of thiabendazole (2-(4-thiazolyl)benzimidazole) and its metabolite benzimidazole (free and conjugated), calculated as the stoichiometric equivalent of thiabendazole, in or on pea, succulent shelled at 0.02 ppm. This tolerance expires on December 31, 2018.

VII. Statutory and Executive Order Reviews

This action establishes tolerances under FFDCA sections 408(e) and 408(l)(6). The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled ''Regulatory Planning and Review'' (58 FR 51735, October 4, 1993). Because this action has been exempted from review under Executive Order 12866, this action is not subject to Executive Order 13211, entitled ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001) or Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997). This action does not contain any information collections subject to OMB approval under the Paperwork Reduction Act (PRA), 44 U.S.C. 3501 *et seq.,* nor does it require any special considerations under Executive Order 12898, entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations'' (59 FR 7629, February 16, 1994).

Since tolerances and exemptions that are established in accordance with FFDCA sections 408(e) and 408(l)(6), such as the tolerances in this final rule, do not require the issuance of a proposed rule, the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*) do not apply.

This action directly regulates growers, food processors, food handlers, and food retailers, not States or tribes, nor does this action alter the relationships or distribution of power and responsibilities established by Congress in the preemption provisions of FFDCA section 408(n)(4). As such, the Agency has determined that this action will not have a substantial direct effect on States or tribal governments, on the relationship between the national government and the States or tribal governments, or on the distribution of power and responsibilities among the various levels of government or between the Federal Government and Indian tribes. Thus, the Agency has determined that Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999) and Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000) do not apply to this action. In addition, this action does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act (UMRA) (2 U.S.C. 1501 *et seq.*).

This action does not involve any technical standards that would require Agency consideration of voluntary consensus standards pursuant to section 12(d) of the National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note).

VIII. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: July 9, 2015.

Susan Lewis,

Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180—[AMENDED]

■ 1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 321(q), 346a and 371.

■ 2. In § 180.242, revise paragraph (b) to read as follows:

§ 180.242 Thiabendazole; tolerances for residues.

* * * * *

(b) *Section 18 emergency exemptions.* Time-limited tolerances specified in the following table are established for residues of the thiabendazole, including its metabolites and degradates, in or on the specified agricultural commodities, resulting from use of the pesticide pursuant to FIFRA section 18 emergency exemptions. Compliance with the tolerance levels specified below is to be determined by measuring only the sum of thiabendazole (2-(4-thiazolyl)benzimidazole) and its metabolite benzimidazole (free and conjugated), calculated as the stoichiometric equivalent of thiabendazole. The tolerances expire on the date specified in the table.

Commodity	Parts per million	Expiration date
Pea, succulent shelled	0.02	December 31, 2018.

* * * * *

[FR Doc. 2015–17681 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA–HQ–OPP–2012–0585; FRL–9929–27]

Distillates, (Fischer-Tropsch), Heavy, C_{18}-C_{50}, Branched, Cyclic and Linear; Exemption From the Requirement of a Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes an exemption from the requirement of a tolerance for residues of distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear when used as an inert ingredient (solvent, diluent and/or dust suppressant) in pesticide formulations applied to growing crops and raw agricultural commodities after harvest. On behalf of Pennzoil-Quaker State Company, Wagner Regulatory Associates, submitted a petition to EPA under the Federal Food, Drug, and Cosmetic Act (FFDCA), requesting establishment of an exemption from the requirement of a tolerance. This regulation eliminates the need to establish a maximum permissible level for residues of distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear.

DATES: This regulation is effective July 17, 2015. Objections and requests for hearings must be received on or before September 15, 2015, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2012–0585, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460–0001. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the OPP Docket is (703) 305–5805. Please review the visitor instructions and additional information about the docket available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Susan Lewis, Director, Registration Division (7505P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001; main telephone number: (703) 305–7090; email address: *RDFRNotices@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

B. How can I get electronic access to other related information?

You may access a frequently updated electronic version of 40 CFR part 180 through the Government Printing Office's e-CFR site at *http://www.ecfr.gov/cgi-bin/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title40/40tab_02.tpl.*

C. How can I file an objection or hearing request?

Under FFDCA section 408(g), 21 U.S.C. 346a, any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by EPA, you must identify docket ID number EPA–HQ–OPP–2012–0585 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing, and must be received by the Hearing Clerk on or before September 15, 2015. Addresses for mail and hand delivery of objections and hearing requests are provided in 40 CFR 178.25(b).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice. Submit the non-CBI copy of your objection or hearing request, identified by docket ID number EPA–HQ–OPP–2012–0585, by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be CBI or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), (28221T), 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please

follow the instructions at *http://www.epa.gov/dockets/contacts.html.*

Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

II. Petition for Exemption

In the **Federal Register** of February 27, 2013 (78 FR 13295) (FRL–9380–2), EPA issued a document pursuant to FFDCA section 408, 21 U.S.C. 346a, announcing the filing of a pesticide petition (PP 2E8049) by Wagner Regulatory Associates, P.O. Box 640, 7217 Lancaster Pike, Suite A, Hockessin, DE 19707 on behalf of Pennzoil-Quaker State Company, 700 Milam Street, Houston, TX 77002. The petition requested that 40 CFR 180.910 be amended by establishing an exemption from the requirement of a tolerance for residues of distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear (CAS Reg. No. 848301–69–9) when used as an inert ingredient as a solvent, diluent and/or dust suppressant in pesticide formulations applied to growing crops and raw agricultural commodities after harvest. That document referenced a summary of the petition prepared by Wagner Regulatory Associates on behalf of the Pennzoil-Quaker State Company, the petitioner, which is available in the docket, *http://www.regulations.gov.* There were no comments received in response to the notice of filing.

III. Inert Ingredient Definition

Inert ingredients are all ingredients that are not active ingredients as defined in 40 CFR 153.125 and include, but are not limited to, the following types of ingredients (except when they have a pesticidal efficacy of their own): Solvents such as alcohols and hydrocarbons; surfactants such as polyoxyethylene polymers and fatty acids; carriers such as clay and diatomaceous earth; thickeners such as carrageenan and modified cellulose; wetting, spreading, and dispersing agents; propellants in aerosol dispensers; microencapsulating agents; and emulsifiers. The term ''inert'' is not intended to imply nontoxicity; the ingredient may or may not be chemically active. Generally, EPA has exempted inert ingredients from the requirement of a tolerance based on the low toxicity of the individual inert ingredients.

IV. Aggregate Risk Assessment and Determination of Safety

Section 408(c)(2)(A)(i) of FFDCA allows EPA to establish an exemption from the requirement for a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) of FFDCA defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) of FFDCA requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue. . . .''

EPA establishes exemptions from the requirement of a tolerance only in those cases where it can be clearly demonstrated that the risks from aggregate exposure to pesticide chemical residues under reasonably foreseeable circumstances will pose no appreciable risks to human health. In order to determine the risks from aggregate exposure to pesticide inert ingredients, the Agency considers the toxicity of the inert in conjunction with possible exposure to residues of the inert ingredient through food, drinking water, and through other exposures that occur as a result of pesticide use in residential settings. If EPA is able to determine that a finite tolerance is not necessary to ensure that there is a reasonable certainty that no harm will result from aggregate exposure to the inert ingredient, an exemption from the requirement of a tolerance may be established.

Consistent with FFDCA section 408(c)(2)(A), and the factors specified in FFDCA section 408(c)(2)(B), EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of and to make a determination on aggregate exposure for distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear including exposure resulting from the exemption established by this action. EPA's assessment of exposures and risks associated with distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear follows.

A. Toxicological Profile

EPA has evaluated the available toxicity data and considered their validity, completeness, and reliability as well as the relationship of the results of the studies to human risk. EPA has also considered available information concerning the variability of the sensitivities of major identifiable subgroups of consumers, including infants and children. Specific information on the studies received and the nature of the adverse effects caused by distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear (also known as GTL petroleum distillates) as well as the no-observed-adverse-effect-level (NOAEL) and the lowest-observed-adverse-effect-level (LOAEL) from the toxicity studies are discussed in this unit.

The acute oral lethal dose $(LD)_{50}$ is 5,000 milligrams/kilograms (mg/kg) in rats. An acute dermal toxicity study was not conducted. There were no available dermal irritation data. It is not irritating to the rabbit eye. It is not a skin sensitizer in the guinea pig.

In a 90-day oral toxicity study, GTL petroleum distillates administered by gavage resulted in a statistically significant increase in the incidence and severity of alveolar macrophage accumulations and increased vacuolation of alveolar macrophages in the lung in rats at the lowest observed adverse effect level (LOAEL) 200 mg/kg/day. The No Observed Adverse Effect Level (NOAEL) was 50 mg/kg/day.

In a 2-generation reproductive toxicity study via gavage in rats, GTL petroleum distillates caused maternal and offspring toxicity at 1,000 mg/kg/day. Toxicity was manifested as chronic interstitial/alveolus inflammation in the lungs. The NOAEL for parental toxicity was 50 mg/kg/day since animals in the mid dose (250 mg/kg/day) group were not analyzed. The reproduction NOAEL was 1,000 mg/kg/day, the highest dose tested.

Based upon subsequent studies conducted to evaluate the lung effects, the Agency determined that the effects observed in the 90-day oral toxicity study and 2-generation reproductive toxicity study were caused by gavage administration error and were not test material (dose) related. In a 28-day oral feeding study in rats at doses up to 1,256 mg/kg/day, no adverse effects were observed. In a prenatal developmental toxicity study in the rat (by oral gavage) at doses up to 1,000 mg/kg/day, no adverse toxicological effects were seen. The results of these two more recent studies alleviated the Agency's concern for the lung effects seen in the 90-day oral toxicity study and the 2-generation reproduction study.

GTL petroleum distillates were evaluated for mutagenic potential using

the Ames test, micronucleus assay, and gene mutation in mammalian cells. These studies were negative for the induction of mutations and aberrations. Therefore, GTL petroleum distillates are considered non-mutagenic.

A neurotoxicity study was not conducted with GTL petroleum distillates. However, signs of neurotoxicity were not observed in acute toxicity tests at doses up to 5,000 mg/kg body weight (bw)/day. Evidence of neurotoxicity was not observed in the 90-day oral toxicity study in rats and in the 28-day oral feeding study in rats.

An immunotoxicity study was not conducted with GTL petroleum distillates. However, alveolar macrophage accumulations and increased vacuolation of alveolar macrophages in the lung was observed in rats at >200 mg/kg/day in both the 90-day oral and 2-generation reproduction toxicity studies. However, these effects were determined to be caused by gavage technique error rather than effects attributable to the test substance.

There are no data specific to the absorption, metabolism, distribution and elimination of GTL petroleum distillates, however, the absorption of other mixtures of normal, branched and cyclic petroleum derived hydrocarbons is inversely related to carbon chain length and is independent of isomeric form, preparation process or type of product. Consequently, when administered orally, Fischer-Tropsch derived hydrocarbons in the range of C_{18}-C_{50} are likely to be unabsorbed and excreted in the feces.

Carcinogenicity studies with GTL petroleum distillates are not available for review. However, based on the lack of carcinogenicity of related linear, branched, and cyclic alkanes and the negligible absorption of GTL petroleum distillates, lack of systemic toxicity at the limit dose, lack of mutagenic concerns, GTL petroleum distillates are not expected to be carcinogenic.

B. Toxicological Points of Departure/ Levels of Concern

There were no adverse effects in repeat dose toxicity, reproductive, and developmental studies with GTL petroleum distillates at or above limit dose levels to either parental animals or their offspring. Thus, due to the low potential hazard and lack of hazard endpoint, the Agency has determined that a quantitative risk assessment using safety factors applied to a point of departure protective of an identified hazard endpoint is not appropriate for GTL petroleum distillates.

C. Exposure Assessment

1. *Dietary exposure from food and feed uses and drinking water.* In evaluating dietary exposure to GTL petroleum distillates, EPA considered exposure under the proposed exemption from the requirement of a tolerance. Dietary exposure to GTL petroleum distillates can occur when eating food treated with pesticide formulation containing this inert ingredient. Since an endpoint for risk assessment was not identified, a quantitative dietary exposure assessment for GTL petroleum distillates was not conducted.

2. *From non-dietary exposure.* The term ''residential exposure'' is used in this document to refer to non-occupational, non-dietary exposure (*e.g.,* textiles (clothing and diapers), carpets, swimming pools, and hard surface disinfection on walls, floors, tables).

GTL petroleum distillates may be used as an inert ingredient in agricultural pesticide products that could result in short- and intermediate-term residential exposure. Residential exposure can occur via dermal and inhalation routes of exposure to residential applicator. Dermal and inhalation exposure can occur from the use of consumer products and foods/ food additives containing GTL petroleum distillates. Since an endpoint for risk assessment was not identified, a quantitative residential exposure assessment for GTL petroleum distillates was not conducted.

3. *Cumulative effects from substances with a common mechanism of toxicity.* Section 408(b)(2)(D)(v) of FFDCA requires that, when considering whether to establish, modify, or revoke a tolerance, the Agency consider ''available information'' concerning the cumulative effects of a particular pesticide's residues and ''other substances that have a common mechanism of toxicity.''

EPA has not found distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear to share a common mechanism of toxicity with any other substances, and the category does not appear to produce a toxic metabolite produced by other substances. For the purposes of this tolerance action, therefore, EPA has assumed that distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear do not have a common mechanism of toxicity with other substances. For information regarding EPA's efforts to determine which chemicals have a common mechanism of toxicity and to evaluate the cumulative effects of such chemicals, see EPA's Web site at *http://www.epa.gov/pesticides/cumulative.*

D. Safety Factor for Infants and Children

1. In general. Section 408(b)(2)(C) of FFDCA provides that EPA shall apply an additional tenfold (10×) margin of safety for infants and children in the case of threshold effects to account for prenatal and postnatal toxicity and the completeness of the database on toxicity and exposure unless EPA determines based on reliable data that a different margin of safety will be safe for infants and children. This additional margin of safety is commonly referred to as the Food Quality Protection Act Safety Factor (FQPA SF). In applying this provision, EPA either retains the default value of 10×, or uses a different additional safety factor when reliable data available to EPA support the choice of a different factor.

At this time, there is no concern for potential sensitivity to infants and children resulting from exposures to GTL petroleum distillates. There is no reported quantitative or qualitative evidence of increased susceptibility of rat fetuses to in utero exposure to GTL petroleum distillates in developmental toxicity studies in rats. No quantitative or qualitative evidence of increased susceptibility has been reported following the pre/postnatal exposure to rats in 2-generation reproduction toxicity studies in rats. Given the lack of adverse toxicological effects at limit dose levels, a safety factor analysis has not been used to assess the risk. For these reasons the additional tenfold safety factor is unnecessary.

E. Aggregate Risks and Determination of Safety

In examining aggregate exposure, EPA takes into account the available and reliable information concerning exposures to pesticide residues in food and drinking water, and non-occupational pesticide exposures. Dietary (food and drinking water) and non-dietary (residential) exposures of concern are not anticipated for GTL petroleum distillates because of its low toxicity based on animal studies showing toxicity at or above the limit dose of 1,000 mg/kg/day. Taking into consideration all available information on GTL petroleum distillates, EPA has determined that there is a reasonable certainty that no harm to any population subgroup, including infants and children, will result from aggregate exposure to GTL petroleum distillates under reasonably foreseeable circumstances. Therefore, the establishment of an exemption from

tolerance under 40 CFR 180.910 for residues of GTL petroleum distillates when used as an inert ingredient (solvent, diluent and/or dust suppressant) in pesticide formulations applied to growing crops and raw agricultural commodities after harvest is safe under FFDCA section 408.

V. Other Considerations

A. Analytical Enforcement Methodology

An analytical method is not required for enforcement purposes since the Agency is establishing an exemption from the requirement of a tolerance without any numerical limitation.

B. International Residue Limits

In making its tolerance decisions, EPA seeks to harmonize U.S. tolerances with international standards whenever possible, consistent with U.S. food safety standards and agricultural practices. EPA considers the international maximum residue limits (MRLs) established by the Codex Alimentarius Commission (Codex), as required by FFDCA section 408(b)(4). The Codex Alimentarius is a joint United Nations Food and Agriculture Organization/World Health Organization food standards program, and it is recognized as an international food safety standards-setting organization in trade agreements to which the United States is a party. EPA may establish a tolerance that is different from a Codex MRL; however, FFDCA section 408(b)(4) requires that EPA explain the reasons for departing from the Codex level.

The Codex has not established a MRL for distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear.

VI. Conclusions

Therefore, an exemption from the requirement of a tolerance is established under 40 CFR 180. 910 for distillates, (Fischer-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear (CAS Reg. No. 848301–69–9) when used as an inert ingredient (solvent, diluent and/or dust suppressant) in pesticide formulations applied to growing crops or raw agricultural commodities after harvest.

VII. Statutory and Executive Order Reviews

This action establishes a tolerance under FFDCA section 408(d) in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled ''Regulatory Planning and Review'' (58 FR 51735, October 4, 1993). Because this action has been exempted from review under Executive Order 12866, this action is not subject to Executive Order 13211, entitled ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001) or Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997). This action does not contain any information collections subject to OMB approval under the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*), nor does it require any special considerations under Executive Order 12898, entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations'' (59 FR 7629, February 16, 1994).

Since tolerances and exemptions that are established on the basis of a petition under FFDCA section 408(d), such as the tolerance in this final rule, do not require the issuance of a proposed rule, the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*), do not apply.

This action directly regulates growers, food processors, food handlers, and food retailers, not States or tribes, nor does this action alter the relationships or distribution of power and responsibilities established by Congress in the preemption provisions of FFDCA section 408(n)(4). As such, the Agency has determined that this action will not have a substantial direct effect on States or tribal governments, on the relationship between the national government and the States or tribal governments, or on the distribution of power and responsibilities among the various levels of government or between the Federal Government and Indian tribes. Thus, the Agency has determined that Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999) and Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000) do not apply to this action. In addition, this action does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act (UMRA) (2 U.S.C. 1501 *et seq.*).

This action does not involve any technical standards that would require Agency consideration of voluntary consensus standards pursuant to section 12(d) of the National Technology Transfer and Advancement Act (NTTAA) (15 U.S.C. 272 note).

VIII. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: July 2, 2015.

Susan Lewis,

Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180—[AMENDED]

■ 1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 321(q), 346a and 371.

■ 2. In § 180.910, add alphabetically the inert ingredient ''Distillates, (Fishcher-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear (CAS Reg. No. 848301–69–9)'' to the table to read as follows:

§ 180.910 Inert ingredients used pre- and post-harvest; exemptions from the requirement of a tolerance.

* * * * *

Inert ingredients	Limits	Uses
* * * * * * *		
Distillates, (Fishcher-Tropsch), heavy, C_{18}-C_{50}, branched, cyclic and linear (CAS Reg. No. 848301–69–9).	.....	Solvent, diluent and/or dust suppressant.
* * * * * * *		

[FR Doc. 2015–17630 Filed 7–16–15; 8:45 am]
BILLING CODE 6560–50–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

44 CFR Part 64

[Docket ID FEMA– 2015–0001; Internal Agency Docket No. FEMA–8387]

Suspension of Community Eligibility

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final rule.

SUMMARY: This rule identifies communities where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP) that are scheduled for suspension on the effective dates listed within this rule because of noncompliance with the floodplain management requirements of the program. If the Federal Emergency Management Agency (FEMA) receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in this rule, the suspension will not occur and a notice of this will be provided by publication in the **Federal Register** on a subsequent date. Also, information identifying the current participation status of a community can be obtained from FEMA's Community Status Book (CSB). The CSB is available at *http://www.fema.gov/fema/csb.shtm.*

DATES: The effective date of each community's scheduled suspension is the third date (''Susp.'') listed in the third column of the following tables.

FOR FURTHER INFORMATION CONTACT: If you want to determine whether a particular community was suspended on the suspension date or for further information, contact Bret Gates, Federal Insurance and Mitigation Administration, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–4133.

SUPPLEMENTARY INFORMATION: The NFIP enables property owners to purchase Federal flood insurance that is not otherwise generally available from private insurers. In return, communities agree to adopt and administer local floodplain management measures aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits the sale of NFIP flood insurance unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed in this document no longer meet that statutory requirement for compliance with program regulations, 44 CFR part 59. Accordingly, the communities will be suspended on the effective date in the third column. As of that date, flood insurance will no longer be available in the community. We recognize that some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue to be eligible for the sale of NFIP flood insurance. A notice withdrawing the suspension of such communities will be published in the **Federal Register**.

In addition, FEMA publishes a Flood Insurance Rate Map (FIRM) that identifies the Special Flood Hazard Areas (SFHAs) in these communities. The date of the FIRM, if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may be provided for construction or acquisition of buildings in identified SFHAs for communities not participating in the NFIP and identified for more than a year on FEMA's initial FIRM for the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column. The Administrator finds that notice and public comment procedures under 5 U.S.C. 553(b), are impracticable and unnecessary because communities listed in this final rule have been adequately notified.

Each community receives 6-month, 90-day, and 30-day notification letters addressed to the Chief Executive Officer stating that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications were made, this final rule may take effect within less than 30 days.

National Environmental Policy Act. This rule is categorically excluded from the requirements of 44 CFR part 10, Environmental Considerations. No environmental impact assessment has been prepared.

Regulatory Flexibility Act. The Administrator has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, Section 1315, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless remedial action takes place.

Regulatory Classification. This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Executive Order 13132, Federalism. This rule involves no policies that have federalism implications under Executive Order 13132.

Executive Order 12988, Civil Justice Reform. This rule meets the applicable standards of Executive Order 12988.

Paperwork Reduction Act. This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

■ 1. The authority citation for Part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp.; p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp.; p. 376.

§ 64.6 [Amended]

■ 2. The tables published under the authority of § 64.6 are amended as follows:

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Region I				
Maine:				
Alna, Town of, Lincoln County	230083	May 6, 2004, Emerg; March 1, 2005, Reg; July 16, 2015, Susp.	July 16, 2015	July 16, 2015.
Arrowsic, Town of, Sagadahoc County	230208	October 19, 1979, Emerg; May 15, 1991, Reg; July 16, 2015, Susp.	*.....do	do
Bar Island, Lincoln County	230916	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Bath, City of, Sagadahoc County	230118	March 27, 1975, Emerg; January 17, 1986, Reg; July 16, 2015, Susp.	.....do	do
Boothbay, Town of, Lincoln County	230212	September 8, 1975, Emerg; June 3, 1986, Reg; July 16, 2015, Susp.	.....do	do
Boothbay Harbor, Town of, Lincoln County.	230213	January 28, 1976, Emerg; June 17, 1986, Reg; July 16, 2015, Susp.	.....do	do
Bowdoin, Town of, Sagadahoc County	230913	June 5, 2008, Emerg; September 1, 2008, Reg; July 16, 2015, Susp.	.....do	do
Bowdoinham, Town of, Sagadahoc County.	230119	April 16, 1981, Emerg; May 19, 1987, Reg; July 16, 2015, Susp.	.....do	do
Bremen, Town of, Lincoln County	230214	February 19, 1976, Emerg; February 4, 1987, Reg; July 16, 2015, Susp.	.....do	do
Bristol, Town of, Lincoln County	230215	July 15, 1975, Emerg; June 19, 1989, Reg; July 16, 2015, Susp.	.....do	do
Damariscotta, Town of, Lincoln County	230216	February 4, 1976, Emerg; September 30, 1988, Reg; July 16, 2015, Susp.	.....do	do
Dresden, Town of, Lincoln County	230084	March 28, 1978, Emerg; May 19, 1987, Reg; July 16, 2015, Susp.	.....do	do
Edgecomb, Town of, Lincoln County	230217	August 5, 1997, Emerg; October 1, 2002, Reg; July 16, 2015, Susp.	.....do	do
Georgetown, Town of, Sagadahoc County.	230209	April 11, 1978, Emerg; May 17, 1988, Reg; July 16, 2015, Susp.	.....do	do
Haddock Island, Lincoln County	230918	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Hibberts Gore, Township of, Lincoln County.	230712	June 24, 1975, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Hungry Island, Lincoln County	230917	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Indian Island, Lincoln County	230919	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Jefferson, Town of, Lincoln County	230085	July 2, 1975, Emerg; October 18, 1988, Reg; July 16, 2015, Susp.	.....do	do
Jones Garden Island, Lincoln County	230925	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Killick Stone Island, Lincoln County	230927	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Louds Island, Lincoln County	230915	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Marsh Island, Lincoln County	230921	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Monhegan Plantation, Lincoln County	230511	April 25, 1975, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Newcastle, Town of, Lincoln County	230218	May 18, 1999, Emerg; April 1, 2003, Reg; July 16, 2015, Susp.	.....do	do
Nobleboro, Town of, Lincoln County	230219	May 13, 1976, Emerg; November 15, 1989, Reg; July 16, 2015, Susp.	.....do	do
Perkins, Township of, Sagadahoc County.	230631	April 25, 1975, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Phippsburg, Town of, Sagadahoc County.	230120	July 29, 1975, Emerg; August 5, 1986, Reg; July 16, 2015, Susp.	.....do	do
Polins Ledges Island, Lincoln County	230929	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Richmond, Town of, Sagadahoc County	230121	July 11, 1975, Emerg; June 4, 1990, Reg; July 16, 2015, Susp.	.....do	do
Ross Island, Lincoln County	230922	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	.....do	do
Somerville, Town of, Lincoln County	230512	April 25, 1975, Emerg; April 3, 1987, Reg; July 16, 2015, Susp.	.....do	do
South Bristol, Town of, Lincoln County	230220	August 12, 1975, Emerg; July 16, 1990, Reg; July 16, 2015, Susp.	.....do	do

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Southport, Town of, Lincoln County	230221	October 23, 1975, Emerg; May 17, 1988, Reg; July 16, 2015, Susp.	do	do
Thief Island, Lincoln County	230920	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Thrumcap Island, Lincoln County	230928	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Topsham, Town of, Sagadahoc County	230122	May 30, 1975, Emerg; October 16, 1987, Reg; July 16, 2015, Susp.	do	do
Waldoboro, Town of, Lincoln County	230086	April 24, 1975, Emerg; April 3, 1985, Reg; July 16, 2015, Susp.	do	do
Webber Dry Ledge Island, Lincoln County.	230930	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
West Bath, Town of, Sagadahoc County.	230211	June 14, 1976, Emerg; August 17, 1981, Reg; July 16, 2015, Susp.	do	do
Western Egg Rock Island, Lincoln County.	230926	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Westport Island, Town of, Lincoln County.	230222	November 10, 2011, Emerg; September 1, 2013, Reg; July 16, 2015, Susp.	do	do
Wiscasset, Town of, Lincoln County	230223	N/A, Emerg; November 20, 1991, Reg; July 16, 2015, Susp.	do	do
Woolwich, Town of, Sagadahoc County	230210	April 19, 1978, Emerg; July 16, 1990, Reg; July 16, 2015, Susp.	do	do
Wreck Island, Lincoln County	230924	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Wreck Island Ledge, Lincoln County	230923	April 4, 1979, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Massachusetts:				
Acushnet, Town of, Bristol County	250048	April 3, 1981, Emerg; July 19, 1982, Reg; July 16, 2015, Susp.	do	do
Attleboro, City of, Bristol County	250049	August 16, 1974, Emerg; September 29, 1978, Reg; July 16, 2015, Susp.	do	do
Berkeley, Town of, Bristol County	250050	February 19, 1974, Emerg; July 3, 1978, Reg; July 16, 2015, Susp.	do	do
Bridgewater, Town of, Plymouth County	250260	November 28, 1975, Emerg; May 17, 1982, Reg; July 16, 2015, Susp.	do	do
Dighton, Town of, Bristol County	250052	March 9, 1973, Emerg; June 18, 1980, Reg; July 16, 2015, Susp.	do	do
East Bridgewater, Town of, Plymouth County.	250264	July 23, 1975, Emerg; July 2, 1981, Reg; July 16, 2015, Susp.	do	do
Foxborough, Town of, Norfolk County	250239	June 20, 1975, Emerg; December 4, 1979, Reg; July 16, 2015, Susp.	do	do
Freetown, Town of, Bristol County	250056	August 11, 1975, Emerg; June 18, 1980, Reg; July 16, 2015, Susp.	do	do
Halifax, Town of, Plymouth County	250265	August 11, 1975, Emerg; July 5, 1982, Reg; July 16, 2015, Susp.	do	do
Lakeville, Town of, Plymouth County	250271	April 15, 1975, Emerg; June 4, 1980, Reg; July 16, 2015, Susp.	do	do
Mansfield, Town of, Bristol County	250057	January 28, 1972, Emerg; April 1, 1977, Reg; July 16, 2015, Susp.	do	do
Middleborough, Town of, Plymouth County.	250275	May 28, 1975, Emerg; September 16, 1981, Reg; July 16, 2015, Susp.	do	do
North Attleborough, Town of, Bristol County.	250059	February 10, 1975, Emerg; September 14, 1979, Reg; July 16, 2015, Susp.	do	do
Norton, Town of, Bristol County	250060	March 20, 1974, Emerg; June 1, 1979, Reg; July 16, 2015, Susp.	do	do
Plainville, Town of, Norfolk County	250249	October 29, 1974, Emerg; July 2, 1981, Reg; July 16, 2015, Susp.	do	do
Raynham, Town of, Bristol County	250061	June 23, 1975, Emerg; July 2, 1980, Reg; July 16, 2015, Susp.	do	do
Rochester, Town of, Plymouth County	250280	September 8, 1975, Emerg; July 5, 1982, Reg; July 16, 2015, Susp.	do	do
Seekonk, Town of, Bristol County	250063	July 25, 1975, Emerg; September 5, 1979, Reg; July 16, 2015, Susp.	do	do
Taunton, City of, Bristol County	250066	July 11, 1973, Emerg; June 18, 1980, Reg; July 16, 2015, Susp.	do	do
Region III		April 25, 1975, Emerg; April 30, 1984, Reg; July 16, 2015, Susp.	do	do
Maryland:				

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Berlin, Town of, Worcester.	240141	March 21, 1978, Emerg; September 18, 1986, Reg; July 16, 2015, Susp.	do	do
Ocean City, Town of, Worcester County	245207	June 30, 1970, Emerg; June 18, 1971, Reg; July 16, 2015, Susp.	do	do
Pocomoke City, City of, Worcester County.	240084	November 27, 1974, Emerg; September 3, 1980, Reg; July 16, 2015, Susp.	do	do
Snow Hill, Town of, Worcester County	240086	June 5, 1975, Emerg; May 15, 1980, Reg; July 16, 2015, Susp.	do	do
Worcester County, Unincorporated Areas..	240083	January 29, 1971, Emerg; February 15, 1979, Reg; July 16, 2015, Susp.	do	do
Pennsylvania:				
Bloss, Township of, Tioga County	422094	July 29, 1975, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	do	do
Blossburg, Borough of, Tioga County	420817	April 17, 1973, Emerg; July 16, 1980, Reg; July 16, 2015, Susp.	do	do
Brookfield, Township of, Tioga County	421171	July 29, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Charleston, Township of, Tioga County	421172	December 26, 1974, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Chatham, Township of, Tioga County	421173	July 29, 1975, Emerg; June 1, 1987, Reg; July 16, 2015, Susp.	do	do
Clymer, Township of, Tioga County	421174	March 13, 1975, Emerg; May 1, 1987, Reg; July 16, 2015, Susp.	do	do
Covington, Township of, Tioga County	421175	May 16, 1974, Emerg; July 16, 1980, Reg; July 16, 2015, Susp.	do	do
Deerfield, Township of, Tioga County	421176	February 16, 1984, Emerg; June 1, 1987, Reg; July 16, 2015, Susp.	do	do
Delmar, Township of, Tioga County	421177	May 2, 1975, Emerg; August 15, 1990, Reg; July 16, 2015, Susp.	do	do
Duncan, Township of, Tioga County	422095	November 28, 1975, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	do	do
Elk, Township of, Tioga County	421154	April 15, 1974, Emerg; May 1, 1987, Reg; July 16, 2015, Susp.	do	do
Elkland, Borough of, Tioga County	420818	April 18, 1973, Emerg; September 28, 1990, Reg; July 16, 2015, Susp.	do	do
Farmington, Township of, Tioga County	422097	November 18, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Gaines, Township of, Tioga County	421005	January 15, 1974, Emerg; September 1, 1978, Reg; July 16, 2015, Susp.	do	do
Hamilton, Township of, Tioga County	421178	August 20, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Jackson, Township of, Tioga County	420820	July 27, 1973, Emerg; September 1, 1978, Reg; July 16, 2015, Susp.	do	do
Knoxville, Borough of, Tioga County	420819	August 20, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Lawrence, Township of, Tioga County	421006	April 16, 1973, Emerg; September 3, 1980, Reg; July 16, 2015, Susp.	do	do
Lawrenceville, Borough of, Tioga County.	420821	April 4, 1973, Emerg; August 15, 1980, Reg; July 16, 2015, Susp.	do	do
Liberty, Borough, Tioga County	420822	August 26, 1975, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	do	do
Liberty, Township of, Tioga County	422098	August 11, 1975, Emerg; July 1, 1987, Reg; July 16, 2015, Susp.	do	do
Mansfield, Borough of, Tioga County	420823	March 16, 1973, Emerg; August 24, 1981, Reg; July 16, 2015, Susp.	do	do
Middlebury, Township of, Tioga County	421179	August 21, 1975, Emerg; July 1, 1987, Reg; July 16, 2015, Susp.	do	do
Morris, Township of, Tioga County	421155	April 15, 1974, Emerg; September 3, 1980, Reg; July 16, 2015, Susp.	do	do
Nelson, Township of, Tioga County	421181	June 5, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	do	do
Osceola, Township of, Tioga County	421182	March 18, 1975, Emerg; August 19, 1991, Reg; July 16, 2015, Susp.	do	do
Putnam, Township of, Tioga County	420824	August 29, 1973, Emerg; July 2, 1980, Reg; July 16, 2015, Susp.	do	do
Richmond, Township of, Tioga County	420825	August 1, 1973, Emerg; July 2, 1980, Reg; July 16, 2015, Susp.	do	do
Roseville, Borough of, Tioga County	420826	February 17, 1981, Emerg; August 1, 1987, Reg; July 16, 2015, Susp.	do	do

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in SFHAs
Rutland, Township of, Tioga County	422099	March 14, 1975, Emerg; August 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Shippen, Township of, Tioga County	422100	May 23, 1975, Emerg; December 1, 1986, Reg; July 16, 2015, Susp.	.....do	do
Sullivan, Township of, Tioga County	421183	December 20, 1974, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Tioga, Borough of, Tioga County	420827	February 9, 1973, Emerg; May 1, 1988, Reg; July 16, 2015, Susp.	.....do	do
Tioga, Township of, Tioga County	420828	April 17, 1973, Emerg; August 15, 1980, Reg; July 16, 2015, Susp.	.....do	do
Union, Township of, Tioga County	421184	August 7, 1975, Emerg; February 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Ward, Township of, Tioga County	422101	August 8, 1975, Emerg; July 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Wellsboro, Borough of, Tioga County	420829	December 26, 1973, Emerg; April 15, 1981, Reg; July 16, 2015, Susp.	.....do	do
Westfield, Borough of, Tioga County	422093	April 22, 1975, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Westfield, Township of, Tioga County	421185	March 11, 1975, Emerg; March 1, 1987, Reg; July 16, 2015, Susp.	.....do	do
Virginia:				
Hopewell, City of, Independent City.	510080	May 27, 1975, Emerg; September 5, 1979, Reg; July 16, 2015, Susp.	.....do	do
Region IV				
Florida:				
Okeechobee, City of, Okeechobee County.	120178	July 2, 1975, Emerg; August 26, 1977, Reg; July 16, 2015, Susp.	.....do	do
Okeechobee County, Unincorporated Areas..	120177	May 1, 1975, Emerg; February 4, 1981, Reg; July 16, 2015, Susp.	.....do	do
Region IX				
California:				
Burlingame, City of, San Mateo County	065019	March 19, 1971, Emerg; September 16, 1981, Reg; July 16, 2015, Susp.	.....do	do
San Mateo, City of, San Mateo County	060328	December 26, 1974, Emerg; March 30, 1981, Reg; July 16, 2015, Susp.	.....do	do
San Mateo County, Unincorporated Areas..	060311	August 27, 1975, Emerg; July 5, 1984, Reg; July 16, 2015, Susp.	.....do	do

*.....do = Ditto.
Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Dated: June 25, 2015.

Roy E. Wright,

Deputy Associate Administrator, Federal Insurance and Mitigation Administration, Department of Homeland Security, Federal Emergency Management Agency.

[FR Doc. 2015–17526 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)

45 CFR Part 101

RIN 0991–AB94

Health Resources Priority and Allocations System (HRPAS)

AGENCY: Department of Health and Human Services, Office of the Secretary.

ACTION: Interim final rule.

SUMMARY: This interim final rule establishes standards and procedures by which the U.S. Department of Health and Human Services (HHS) may require that certain contracts or orders that promote the national defense be given priority over other contracts or orders. This rule also sets new standards and procedures by which HHS may allocate materials, services, and facilities to promote the national defense. This rule will implement HHS's administration of priorities and allocations actions, and establish the Health Resources Priorities and Allocation System (HRPAS). The HRPAS will cover health resources pursuant to the authority under Section 101(c) of the Defense Production Act as delegated to HHS by Executive Order 13603. Priorities authorities (and other authorities delegated to the Secretary in E.O. 13603, but not covered by this regulation) may be re-delegated by the Secretary. The Secretary retains the authority for allocations.

DATES: Effective July 17, 2015. Comments must be received by September 15, 2015.

ADDRESSES: You may submit comments, identified by RIN 0991–AB94 by any of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.
- By email directly to *Cassandra.Freeman@hhs.gov.*
- By mail or delivery to Cassandra Freeman, Director, Division of Acquisition Policy, Office of the Assistant Secretary for Preparedness and Response, U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 630G, Washington, DC 20201.

Written comments regarding the burden-hour estimates or other aspects of the collection-of-information requirements or any other provisions contained in this interim final rule may

be submitted to Cassandra Freeman, Director, Division of Acquisition Policy, Office of the Assistant Secretary for Preparedness and Response, U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 630G, Washington, DC 20201.

FOR FURTHER INFORMATION CONTACT: The agency program contact is Cassandra R. Freeman, who can be contacted by phone at (202) 205–1855 or via email at *Cassandra.Freeman@hhs.gov.*

SUPPLEMENTARY INFORMATION:

Background

HHS is publishing this rule to comply with a requirement of the Defense Production Act Reauthorization of 2009 (Pub. L. 111–67) (the ''DPAR''). The Defense Production Act Reauthorization of 2009 required that HHS, and all other agencies that previously have been delegated authority to issue rated orders under Executive Order 13603, publish regulations providing standards and procedures for prioritization of contracts and orders and for allocation of materials, services, and facilities to promote the national defense under both emergency and non-emergency conditions. HHS's regulation, along with regulations promulgated by other agencies, will become part of the Federal Priorities and Allocations System.

The HRPAS is part of the Federal Priorities and Allocations System. The HRPAS has two principal components: priorities and allocations. Under the priorities component, certain contracts between the government and private parties or between private parties for the production or delivery of industrial resources are required to be given priority over other contracts to facilitate expedited delivery in promotion of the U.S. national defense. Under the allocations component, materials, services, and facilities may be allocated to promote the national defense. For both components, the term ''national defense''' is defined broadly and can include critical infrastructure protection and restoration, emergency preparedness and response, and recovery from natural and man-made disasters. Priorities authorities (and other authorities delegated to the Secretary in E.O. 13603, but not covered by this regulation) may be re-delegated by the Secretary. The Secretary retains the authority for allocations.

On September 30, 2009, Congress amended the DPA through the Defense Production Act Reauthorization of 2009 (Pub. L. 111–67) (the ''DPAR''). The DPAR directed, all agencies to which the President has delegated priorities and allocations authority under E.O. 13603, publish final rules establishing standards and procedures by which that authority will be used to promote the national defense in both emergency and nonemergency situations. The DPAR also required all such agencies to consult as appropriate and to the extent practicable to develop a consistent and unified Federal priorities and allocations system. This rule is one of several rules to be published to implement the provisions of the DPAR. The final rules of the agencies with DPAR authorities, which are the Departments of Commerce, Energy, Transportation, Health and Human Services, Defense, and Agriculture, will comprise the Federal Priorities and Allocations System (''FPAS''). HHS is publishing this interim final rule in compliance with the provision of the DPAR noted above. HHS's HRPAS provisions are consistent with the FPAS regulations being issued by other agencies. The specific proposals in this rule are more fully described below.

Analysis of the Priorities and Allocations System

General

Section 101.1 states the purpose of the HRPAS in general terms, as providing guidance and procedures for use of the Defense Production Act (DPA) priorities and allocations authority with respect to health resources necessary or appropriate to promote the national defense.

Section 101.2 provides guidance and procedures for the use of the DPA priorities and allocation authority with respect to health resources necessary or appropriate to promote the national defense.

Section 101.3 provides an overview of the HRPAS program eligibility.

This section describes briefly aspects of the HRPAS, including the certain programs for military and health resources under the DPA.

Definitions

The ''Definitions'' section appears in § 101.20 and provides definitions for the relevant regulatory terms.

Placement of Rated Orders

Section 101.30, ''Delegation of Authority,'' describes fully the President's delegations to HHS. It also describes, in general terms, the items subject to HHS's jurisdiction. This provision facilitates public understanding of the role that each delegate agency plays in the overall priorities and allocations system.

Section 101.31, ''Priority ratings,'' describes the two possible levels of priority and program identification symbols used when rating an order.

Section 101.32, ''Elements of a rated order,'' describes in detail what each rated order must include, consisting of the appropriate priority rating, delivery date information, signatures and required language. HHS seeks comment specifically on the text of this provision.

Section 101.33, ''Acceptance and rejection of rated orders,'' details when orders placed by HHS may or must be accepted or rejected, and what the procedures are for both, including customer notification requirements and certain exceptions for emergency preparedness conditions. Specifically, persons must accept or reject rated orders for emergency response-related approved programs within fifteen (15) working days (or ten (10) working days, depending on the circumstance). HHS requires the shorter time limit in for the recipient to respond to a rated order issued in connection with an emergency response because such orders would require a shorter time frame to ensure delivery in time to provide disaster assistance, emergency response or similar activities. HHS believes that the exigent circumstances inherent in such activities justify requiring a shorter response time.

Section 101.34, ''Preferential scheduling,'' details procedures in cases where a person receives two or more conflicting rated orders. If a person is unable to resolve such a conflict, this section refers them to special priorities assistance as provided in §§ 101.40 through 101.44.

Section 101.35, ''Extension of priority ratings,'' requires a person to use rated orders with suppliers to obtain items or services needed to fill a rated order. This allows the priority rating to ''extend'' from contractor to subcontractor to supplier throughout the entire procurement chain.

Section 101.36, ''Changes or cancellations of priority ratings and rated orders,'' provides procedures for changing or cancelling a rated order, both by HHS or other persons who placed the order.

Section 101.37, ''Use of rated orders,'' lists what items must be rated. It also introduces the use of certain program identification symbols used when rated orders may be combined, and details the procedures for combining two or more rated orders, as well as rated and unrated orders.

Section 101.38, ''Limitations on placing rated orders,'' prohibits the use of rated orders in a list of specific circumstances. This section also

specifically excludes the use of rated orders for resources within the resource jurisdiction of agencies other than HHS with DPA priorities and allocations authority.

Special Priorities Assistance

Section 101.40, ''General provisions'' illustrates when and how HHS can provide special priorities assistance, and provides specific HHS points of contact and the form to be used for requesting such assistance. Special priorities assistance may generally be requested for any reason.

Section 101.41, ''Requests for priority rating authority,'' directs persons to the Department of Commerce to request rating authority for production or construction equipment. This section also identifies circumstances in which HHS may authorize a person to place a priority rating on an order to a supplier in advance of the issuance of a rated prime contract, and lists factors HHS will consider in deciding whether to grant this authority.

Section 101.42, ''Examples of assistance,'' provides a number of examples of when special priorities assistance may be provided, although it may generally be provided for any reason.

Section 101.43 lists the criteria for granting assistance, and § 101.44 lists instances in which assistance may not be provided (*i.e.,* to secure a price advantage).

Allocation Actions

Sections 101.50 through 101.52 describe allocations and contain procedures for the use of allocation orders. Specifically, allocation orders will be used only if priorities authority will not provide a sufficient supply of material, services or facilities for national defense requirements, or when use of priorities authority will cause a severe and prolonged disruption in the supply of resources available to support normal U.S. economic activities. Allocation orders will not be used to ration materials or services at the retail level. Allocation orders will be distributed equitably among the suppliers of the resource(s) being allocated and will not require any person to relinquish a disproportionate share of the civilian market. The standards set forth in §§ 101.50 through 101.52 provide reasonable assurance that allocation orders will be used only in situations where the circumstances justify such orders.

Section 101.53 describes the three types of allocation orders that HHS might issue. The types of allocation orders are a set-aside, an allocation directive, and an allotment. A set-aside is an official action that will require a person to reserve resource capacity in anticipation of receipt of rated orders. An allocation directive is an official action that will require a person to take or refrain from taking certain actions in accordance with its provisions (an allocation directive can require a person to stop or reduce production of an item, prohibit the use of selected items, divert supply of one type of product to another, or to supply a specific quantity, size, shape, and type of an item within a specific time period). An allotment is an official action that will specify the maximum quantity of an item authorized for use in a specific program or application. HHS is requiring these three types of allocation orders because it believes that, collectively, they describe the types of actions that might be taken in any situation in which allocation is justified.

Section 101.54, ''Elements of an allocation order,'' sets forth the minimum elements of an allocation order. Those elements are:

- A detailed description of the required allocation action(s);
- Specific start and end calendar dates for each required allocation action;
- The written signature on a manually placed order, or the digital signature or name on an electronically placed order, of the Secretary of Health and Human Services or his/her designee, which certifies that the order is authorized under this regulation and that the order is consistent with requirements of the regulation;
- A statement that reads in substance: *This is an allocation order certified for national defense use. [Insert the legal name of the person receiving the order] is required to comply with this order, in accordance with the provisions of the Health Resources Priorities and Allocations System regulation (45 CFR 101.1), which is part of the Federal Priorities and Allocations System;* and
- A current copy of the HRPAS.

HHS rquires these elements because it believes that they provide a proper balance between the need for standards to permit the public to recognize and understand an allocation order if one is issued, and the expectation that any actual allocation orders will have to be tailored to meet unforeseeable circumstances. The language of § 101.54 precludes HHS from including additional information in an allocation order if circumstances warrant doing so.

Section 101.55, ''Mandatory acceptance of allocation orders,'' requires that an allocation order must be accepted if a person is capable of fulfilling the order. If a person is unable to comply fully with the required actions specific in an allocation order, the person must notify HHS immediately, explain the extent to which compliance is possible, and give reasons why full compliance is not possible. This section also states that a person may not discriminate against an allocation order in any manner, such as by charging higher prices or imposing terms and conditions different than what the person imposed on contracts or orders for the same resource(s) that were received prior to receiving the allocation order. Section 101.55 makes it clear to the public that the limited circumstances and emergency situations that trigger issuance of an allocation order require immediate response from the public in order to address the situation in an expedient fashion.

Section 101.56, ''Changes or cancellations of an allocation order'' provides that an allocation order may be changed or cancelled by HHS.

Official Actions

Section 101.60, ''General Provisions'', provides HHS and overview regarding implementation of this subpart.

Section 101.61, ''Rating Authorizations,'' defines a rating authorization as an official action granting specific priority rating authority, and refers persons to § 101.21 to request such priority rating authority.

Section 101.62, ''Directives,'' defines a directive as an official action that requires a person to take or refrain from taking certain actions in accordance with its provisions. This section details directive compliance for the public.

Section 101.63, ''Letters and Memoranda of Understanding,'' defines a letter or memorandum of understanding as an official action that may be issued in resolving special priorities assistance cases to reflect an agreement reached by all parties, and explains its use.

Compliance

Section 101.70, ''General Provisions'' details the official actions which may be taken by HHS to enforce or administer the DPA and other applicable statutes.

Section 101.71, ''Audits and investigations,'' details the procedures for official examinations of books, records, documents, and other writings and information to ensure that the provisions of the DPA and other applicable statutes, this regulation, and official actions have been properly followed. An audit or investigation may also include interviews and a systems evaluation to detect problems or failures in the implementation of this regulation.

Section 101.72, ''Compulsory process,'' provides that if a person refuses to permit a duly authorized HHS representative to have access to necessary information, HHS may seek the institution of appropriate legal action, including ex parte application for an inspection warrant, in any forum of appropriate jurisdiction.

Sections 101.73 and 101.74 both provide procedures for notification of failure to comply with the DPA, these regulations, or HHS official actions, and describe the resulting penalties and remedies.

Section 101.75, ''Compliance Conflicts,'' requires that persons immediately contact HHS should compliance with the DPA, these regulations, or an official action prevent a person from filling a rated order or from complying with another provision of the DPA and other applicable statutes, this regulation, or an official action.

Adjustments, Exceptions, and Appeals

Section 101.80, ''Adjustments, Exceptions, and Appeals,'' reflects the procedures necessary to request an adjustment or exception to the provisions of these regulations.

Section 101.81, ''Appeals,'' provides the procedures, timing and contact information for appealing a decision made on a request for relief in the previous section.

Miscellaneous Provisions

Section 101.90, ''Protection against claims,'' provides that a person shall not be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with any part of this regulation or an official action.

Section 101.91, ''Records and reports,'' requires that persons are required to make and preserve for at least three years, accurate and complete records of any transaction covered by this regulation or an official action. Various requirements and procedures regarding such records are provided in this section. The confidentiality provisions of the DPA governing the submission of information pursuant to the DPA and these regulations are also set forth.

Section 101.92, ''Applicability of this regulation and official actions,'' provides the jurisdictional applicability of this regulation and official actions.

Section 101.93, ''Communications,'' provides a HHS point of contact for all communications regarding this regulation.

A. Review Under Executive Order 12866 and Executive Order 13563

HHS has examined the impacts of the interim final rule under Executive Order 12866 and Executive Order 13563. Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity). This rule is not an economically significant regulatory action under Executive Order 12866.

A summary of the cost benefit analysis is provided below.

This rule sets criteria under which HHS (or agencies to which HHS delegates HHS's DPA authority to issue rated orders) will authorize prioritization of certain orders or contracts as well as criteria under which HHS will issue orders allocating resources or production facilities. To date, HHS has minimally exercised its prioritization authority for contracts during the response to H1N1 influenza in 2009 to order ancillary supplies in support of the Centers for Disease Control and Prevention's (CDC) Immunization Program, and not exercised its existing allocations authority.

Under prioritization, HHS or its Delegate Agency designates certain orders as one of two possible priority levels. Once so designated, such orders are referred to as ''rated orders.'' The recipient of a rated order must give it priority over an unrated order or an order with a lower priority rating. A recipient of a rated order may place orders at the same priority level with suppliers and subcontractors for supplies and services necessary to fulfill the recipient's rated order and the suppliers and subcontractors must treat the request from the rated order recipient as a rated order with the same priority level as the original rated order. The rule does not require recipients to fulfill rated orders if the price or terms of sale are not consistent with the price or terms of sale of similar non-rated orders. The rule provides a defense from any liability for damages or penalties for actions taken in or inactions required for, compliance with the rule.

The impact of HRPAS on private companies receiving priority orders is expected to vary. However, in most cases, there is likely to be no economic impact in filling priority orders because it will generally just be changing the timing in which orders are completed.

HRPAS is expected to have an overall positive impact on the U.S. public and industry by maintaining and restoring the production, processing, storage, and distribution of health resources during times of both emergency and nonemergency conditions to promote national defense and to prevent civilian hardship in the food marketplace. While HHS has not yet administered HRPAS under DPA authority, the continued use of DPAS by the Department of Defense proves the utility of a priorities and allocations system.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. HHS reviewed this interim final rule under the provisions of the Regulatory Flexibility Act and has determined that this rule, if promulgated, will not have a significant impact on a substantial number of small entities.

Number of Small Entities

Small entities include small businesses, small organizations and small governmental jurisdictions. For purposes of assessing the impacts of this interim final rule on small entities, a small business, as described in the Small Business Administration's Table of Small Business Size Standards Matched to North American Industry Classification System Codes (January 2012 Edition), has a maximum annual revenue of $33.5 million and a maximum of 1,500 employees (for some business categories, these number are lower). A small governmental jurisdiction is a government of a city, town, school district or special district with a population of less than 50,000. A small organization is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

This rule sets criteria under which HHS (or agencies to which HHS delegates HHS's DPA authority to issue rated orders) will authorize prioritization of certain orders or contracts as well as criteria under which HHS will issue orders allocating resources or production facilities. Because the rule affects commercial transactions, HHS believes that small organizations and small governmental jurisdictions are unlikely to be affected by this rule. To date, HHS has

minimally exercised its prioritization authority for contracts during the response to 2009 H1N1 influenza to order ancillary supplies in support of HHS/CDC's Immunization Program, and not exercised its existing allocations authority. As such, HHS has no basis on which to estimate the number of small businesses that may be affected by this rule.

Impact

The interim final rule has two principle components: prioritization and allocation. Under prioritization, HHS, or its Delegate Agency, designates certain orders as one of two possible priority levels. Once so designated, such orders are referred to as ''rated orders.'' The recipient of a rated order must give it priority over an unrated order or an order with a lower priority rating. A recipient of a rated order may place orders at the same priority level with suppliers and subcontractors for supplies and services necessary to fulfill the recipient's rated order and the suppliers and subcontractors must treat the request from the rated order recipient as a rated order with the same priority level as the original rated order. The rule does not require recipients to fulfill rated orders if the price or terms of sale are not consistent with the price or terms of sale of similar non-rated orders. The rule provides a defense from any liability for damages or penalties for actions taken in or inactions required for, compliance with the rule.

Although rated orders could require a firm to fill one order prior to filling another, they will not necessarily require a reduction in the total volume of orders. The regulations will also not require the recipient of a rated order to reduce prices or provide rated orders with more favorable terms than a similar non-rated order. Under these circumstances, the economic effects on the rated order recipient of substituting one order for another are likely to be mutually offsetting, resulting in no net economic impact.

Allocations could be used to control the general distribution of materials or services in the civilian market. Specific allocation actions that HHS might take are as follows:

Set-aside: an official action that requires a person to reserve resource capacity in anticipation of receipt of rated orders.

Allocations directive: an official action that requires a person to take or refrain from taking certain actions in accordance with its provisions. An allocation directive can require a person to stop or reduce production of an item, prohibit the use of selected items, or divert supply of one type of product to another, or to supply a specific quantity, size, shape, and type of an item within a specific time period.

Allotment: an official action that specifies the maximum quantity of an item authorized for use in a specific program or application.

HHS has not yet taken any actions under its existing allocations authority, and any future allocations actions would be used only in extraordinary circumstances. As required by section 101(b) of the Defense Production Act of 1950, as amended, (50 U.S.C. App. Sec. 2071), hereinafter ''DPA,'' and by Section 201(a) (3) of Executive Order 13603, HHS may implement allocations only if the Secretary of Health and Human Services makes, and the President approves, and determines that there is a scarcity of critical materials and services essential to the national defense, and that the requirements of the national defense cannot otherwise be met without a significant interruption of normal distribution of these essential materials or services in the civilian marketplace that would cause considerable hardship. ''National defense'' covers programs for military and health resources production or construction, military or critical infrastructure assistance to any foreign nation, homeland security, stockpiling, space, and any related activity. Such term includes emergency preparedness activities conducted pursuant to title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195 *et seq.*) and critical infrastructure protection and restoration.

Any allocation actions taken by HHS must assure that small business concerns shall be accorded, to the extent practicable; a fair share of the materials or services covered by the allocation action in proportion to the share received by small business concerns under normal conditions, giving such special consideration as may be possible to emerging business concerns, 50 U.S.C. App. Sec. 2151(e).

Conclusion

Although HHS cannot determine precisely the number of small entities that will be affected by this rule, HHS believes that the overall impact on such entities will not be significant. In most instances, rated contracts will be fulfilled in addition to other (unrated) contracts and, in some instances might actually increase the total amount of business of the firm that receives a rated contract.

Because allocations can be imposed only after an agency determination confirmed by the President, and because HHS has not yet used its allocations authority that has existed since passage of the Defense Production Act in 1950, one can expect allocations will be ordered only in particular circumstances. Any allocation actions would also have to comply with Section 701(e) of DPA (50 U.S.C. app. 2151(e)), which provides that small business concerns be accorded, to the extent practicable, a fair share of the material, including services, in proportion to the share received by such business concerns under normal conditions, giving such special consideration as may be possible to emerging business concerns.

Therefore, HHS believes that the requirement for a Presidential determination and the provisions of section 701 of the DPA indicate that any impact on small business will not be significant.

Therefore, for the reasons set forth above, the Secretary of the Department of Health and Human Services certifies that this interim final rule will not have a significant economic impact on a substantial number of small entities.

C. Review Under the Paperwork Reduction Act

This interim final rule contains a collection-of-information requirement for Request for Special Priorities Assistance, which is subject to review and approval by OMB under the Paperwork Reduction Act (PRA). This requirement has been submitted to OMB for approval. Data required will include: name, location, contact information, items for which the applicant is requesting assistance on, quantity, and delivery date. Public reporting burden for submission of a request for special priorities assistance or priority rating authority is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Public comment is sought regarding: whether this collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; the accuracy of the burden estimate; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information, including through the use of automated collection techniques or other forms of information technology. Send comments on these or any other aspects of the collection of information

to (see *Cassandra.Freeman@hhs.gov,* Office of the Assistant Secretary for Preparedness and Response, U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 630G, Washington, DC 20201).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB Control Number.

Title: Request for Special Priorities Assistance for HRPAS.

OMB Control Number: To be provided by OMB.

Type of Request: New Collection.

Abstract: HRPAS will efficiently place priority ratings on contracts or orders of health resources within its authority as specified in the Defense Production Act (DPA) of 1950, as amended, when necessary. Applicants (Government agencies or private individuals with a role in emergency preparedness, response, and recovery functions) will request authorization from HHS to place a rating on a contract for items to support national defense activities. Applicants must supply, at time of request, their name, location, contact information, items for which the applicant is requesting assistance on, quantity, and delivery date. Applicants can submit the request by mail or fax.

Estimate of Burden: Public reporting for this collection of information is estimated to average 30 minutes per response.

Type of Respondents: Individuals, businesses, and Agencies with responsibilities for emergency preparedness and response.

Estimated Number of Respondents: 100.

Estimated Number of Responses per Respondents: 0.95.

Estimated Total Number of Respondents: 95.

Estimate Total Annual Burden Hours on Respondents: 50 hours.

We are requesting comments on all aspects of this information collection to help us: (1) Evaluate whether the collection of information is necessary for the proper performance of the functions of HHS, including whether the information will have practical utility; (2) Evaluate the accuracy of HHS's estimate of burden including the validity of the methodology and assumptions used; (3) Enhance the quality, utility and clarity of the information to be collected; (4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology. All comments received in response to this document, including names and addresses when provided, will be a matter of public record. Comments will be summarized and included in the submission for Office of Management and Budget approval.

D. Review Under Executive Order 13132

HHS reviewed this rule pursuant to Executive Order 13132, ''Federalism,'' 64 FR 43255 (August 4, 1999), which imposes certain requirements on agencies formulating and implementing policies or regulations that preempt State law or that have federalism implications. HHS determined that the rule will not have a substantial direct effect on the States, on the relationship between the National Government and the States, or on the distribution of power and responsibilities among the various levels of Government.

E. Review Under Unfunded Mandates Reform Act

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA, Pub. L. 104–4) requires Federal agencies to assess the effects of their regulatory actions on State, local, or Tribal governments or the private sector. Agencies generally must prepare a written statement, including a cost benefit analysis, for proposed and final rules with Federal mandates that may result in expenditures of $100 million or more in any one year for State, local, or Tribal governments, in the aggregate, or to the private sector. This rule contains no Federal mandates as defined by Title II of UMRA for State, local, or Tribal governments or for the private sector; therefore, this rule is not subject to the requirements of sections 202 and 205 of UMRA.

F. Approval of the Office of the Secretary

The Secretary of Health and Human Services has approved publication of this interim final rule.

List of Subjects in 45 CFR Part 101

Administrative practice and procedure, Business and industry, Government contracts, National defense, Reporting and recordkeeping requirements, Strategic and critical materials.

For the reasons stated in the preamble, HHS adds part 101 to subchapter A of title 45 of the Code of Federal Regulations to read as follows:

PART 101—DESCRIBING AGENCY NEEDS

Subpart A—Health Resources Priorities and Allocations System

General

Sec.
101.1 Purpose.
101.2 Priorities and allocations authority.
101.3 Program eligibility.

Subpart B—Definitions

101.20 Definitions.

Subpart C—Placement of Rated Orders

101.30 Delegations of authority.
101.31 Priority ratings.
101.32 Elements of a rated order.
101.33 Acceptance and rejection of rated orders.
101.34 Preferential scheduling.
101.35 Extension of priority ratings.
101.36 Changes or cancellations of priority ratings and rated orders.
101.37 Use of rated orders.
101.38 Limitations on placing rated orders.

Subpart D—Special Priorities Assistance

101.40 General provisions.
101.41 Requests for priority rating authority.
101.42 Examples of assistance.
101.43 Criteria for assistance.
101.44 Instances where assistance may not be provided.

Subpart E—Allocation Actions

101.50 Policy.
101.51 General procedures.
101.52 Controlling the general distribution of a material in the civilian market.
101.53 Types of allocation orders.
101.54 Elements of an allocation order.
101.55 Mandatory acceptance of an allocation order.
101.56 Changes or cancellations of an allocation order.

Subpart F—Official Actions

101.60 General provisions.
101.61 Rating Authorizations.
101.62 Directives.
101.63 Letters and Memoranda of Understanding.

Subpart G—Compliance

101.70 General provisions.
101.71 Audits and investigations.
101.72 Compulsory process.
101.73 Notification of failure to comply.
101.74 Violations, penalties, and remedies.
101.75 Compliance conflicts.

Subpart H—Adjustments, Exceptions, and Appeals

101.80 Adjustments or exceptions.
101.81 Appeals.

Subpart I—Miscellaneous Provisions

101.90 Protection against claims.
101.91 Records and reports.
101.92 Applicability of this part and official actions.
101.93 Communications.

Authority: 50 U.S.C. App. 2061–2171;

Subpart A—Health Resources Priorities and Allocations System

General

§ 101.1 Purpose.

This section provides guidance and procedures for use of Defense Production Act (DPA) of 1950 Section 101(a) priorities and allocations authority with respect to all forms of health resources necessary or appropriate to promote the national defense. The guidance and procedures in this part are consistent with the guidance and procedures provided in other regulations that, as a whole, form the Federal Priorities and Allocations System. Guidance and procedures for use of the DPA priorities and allocations authority with respect to other types of resources are provided for: food resources, food resource facilities, and the domestic distribution of farm equipment and commercial fertilizer in7 CFR part 700; energy supplies in 10 CFR part 217; all forms of civil transportation in 49 CFR part 33; water resources in 32 CFR part 555; and all other materials, services, and facilities, including construction materials in the Defense Priorities and Allocations System (DPAS) regulation (15 CFR part 700).

§ 101.2 Priorities and allocations authority.

(a) Section 201 of E.O. 13603, delegates the President's authority under Section 101 of the DPA. DPA Section 101 provides the President with authority to require acceptance and priority performance of contracts and orders (other than contracts of employment) to promote the national defense over performance of any other contracts or orders, and to allocate materials, services, and facilities as deemed necessary or appropriate to promote the national defense to a number of agencies. Section 201 of E.O. 13603 delegates the President's authority to specific agencies as follows:

(1) The Secretary of Agriculture with respect to food resources, food resource facilities, livestock resources, veterinary resources, plant health resources, and the domestic distribution of farm equipment and commercial fertilizer;

(2) The Secretary of Energy with respect to all forms of energy;

(3) The Secretary of Health and Human Services with respect to health resources;

(4) The Secretary of Transportation with respect to all forms of civil transportation;

(5) The Secretary of Defense with respect to water resources; and

(6) The Secretary of Commerce for all other materials, services, and facilities, including construction materials.

(b) Section 202(a) of E.O. 13603 states that the priorities and allocations authority delegated in Section 201 of that Executive Order may be used only to support programs that have been determined in writing as necessary or appropriate to promote the national defense:

(1) By the Secretary of Defense with respect to military production and construction, military assistance to foreign nations, military use of civil transportation, stockpiles managed by the Department of Defense, space, and directly related activities;

(2) By the Secretary of Energy with respect to energy production and construction, distribution and use, and directly related activities; and

(3) By the Secretary of Homeland Security with respect to all other national defense programs, including civil defense and continuity of Government.

(c) Section 201(e) of E.O. 13603 provides that each department that is delegated priorities and allocations authority under Section 201(a) of E.O. 13603 may use this authority with respect to control of the general distribution of any material (including applicable services) in the civilian market only after:

(1) Making the finding required under Section 101(b) of the DPA; and

(2) The finding has been approved by the President.

(d) Priorities authorities (and other authorities delegated to the Secretary in E.O. 13603 but not covered by this regulation) have been re-delegated by the Secretary to the Assistant Secretary for Preparedness and Response (the ''ASPR''). The Secretary retains the authority for allocations.

§ 101.3 Program eligibility.

Certain programs to promote the national defense are eligible for priorities and allocations support. These include programs for military and energy production or construction, military or critical infrastructure assistance to any foreign nation, deployment and sustainment of military forces, homeland security, stockpiling, space, and any directly related activity. Other eligible programs include emergency preparedness activities conducted pursuant to Title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5195 *et seq.*] and critical infrastructure protection and restoration.

Subpart B—Definitions

§ 101.20 Definitions.

The following definitions pertain to all sections of this part:

Allocation means the control of the distribution of materials, services, or facilities for a purpose deemed necessary or appropriate to promote the national defense.

Allocation order means an official action to control the distribution of materials, services, or facilities for a purpose deemed necessary or appropriate to promote the national defense.

Allotment means an official action that specifies the maximum quantity or use of a material, service, or facility authorized for a specific use to promote the national defense.

Approved program means a program determined by the Secretary of Defense, the Secretary of Energy, or the Secretary of Homeland Security to be necessary or appropriate to promote the national defense, in accordance with Section 202 of E.O. 13603.

Construction means the erection, addition, extension, or alteration of any building, structure, or project, using materials or products which are to be an integral and permanent part of the building, structure, or project. Construction does not include maintenance and repair.

Critical infrastructure means any systems and assets, whether physical or cyber-based, so vital to the United States that the degradation or destruction of such systems and assets would have a debilitating impact on national security, including, but not limited to, national economic security and national public health or safety.

Defense Production Act or *DPA* means the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 *et seq.*).

Delegate agency means a Federal government agency authorized by delegation from HHS to place priority ratings on contracts or orders needed to support approved programs.

Directive means an official action that requires a person to take or refrain from taking certain actions in accordance with its provisions.

Emergency preparedness means all those activities and measures designed or undertaken to prepare for or minimize the effects of a hazard upon the civilian population, to deal with the immediate emergency conditions which would be created by the hazard, and to effectuate emergency repairs to, or the emergency restoration of, vital utilities and facilities destroyed or damaged by the hazard. ''Emergency Preparedness'' includes the following:

(1) Measures to be undertaken in preparation for anticipated hazards (including the establishment of appropriate organizations, operational plans, and supporting agreements, the

recruitment and training of personnel, the conduct of research, the procurement and stockpiling of necessary materials and supplies, the provision of suitable warning systems, the construction or preparation of shelters, shelter areas, and control centers, and, when appropriate, the nonmilitary evacuation of the civilian population).

(2) Measures to be undertaken during a hazard (including the enforcement of passive defense regulations prescribed by duly established military or civil authorities, the evacuation of personnel to shelter areas, the control of traffic and panic, and the control and use of lighting and civil communications).

(3) Measures to be undertaken following a hazard (including activities for firefighting; rescue; emergency medical, health and sanitation services; monitoring for specific dangers of special weapons; unexploded bomb reconnaissance; essential debris clearance; emergency welfare measures; and immediately essential emergency repair or restoration of damaged vital facilities).

Facilities includes all types of buildings, structures, or other improvements to real property (but excluding farms, churches or other places of worship, and private dwelling houses), and services relating to the use of any such building, structure, or other improvement.

Farm equipment means equipment, machinery, and repair parts manufactured for use on farms in connection with the production or preparation for market use of Food resources.

Fertilizer means any product or combination of products that contain one or more of the elements—nitrogen, phosphorus, and potassium—for use as a plant nutrient.

Food resources means all commodities and products, (simple, mixed, or compound), or complements to such commodities or products, that are capable of being ingested by either human beings or animals, irrespective of other uses to which such commodities or products may be put, at all stages of processing from the raw commodity to the products thereof in vendible form for human or animal consumption. ''Food Resources'' also means potable water packaged in commercially marketable containers, all starches, sugars, vegetable and animal or marine fats and oils, seed, cotton, hemp, and flax fiber, but does not mean any such material after it loses its identity as an agricultural commodity or agricultural product.

Food resource facilities means plants, machinery, vehicles (including on-farm), and other facilities required for the production, processing, distribution, and storage (including cold storage) of food resources, and for the domestic distribution of farm equipment and fertilizer (excluding transportation thereof).

Hazard means an emergency or disaster resulting from:

(1) A natural disaster; or

(2) An accidental or human-caused event.

Health resources means drugs, biological products, medical devices, materials, facilities, health supplies, services and equipment required to diagnose, mitigate or prevent the impairment of, improve, treat, cure, or restore the physical or mental health conditions of the population.

Homeland Security includes efforts—

(1) To prevent terrorist attacks within the United States;

(2) To reduce the vulnerability of the United States to terrorism;

(3) To minimize damage from a terrorist attack in the United States; and

(4) To recover from a terrorist attack in the United States.

Industrial Resource means all materials, services, and facilities, including construction materials, but not including: Food resources, food resource facilities, and the domestic distribution of farm equipment and commercial fertilizer; all forms of health resources; all forms of civil transportation; and water resources.

Item means any raw, in process, or manufactured material, article, commodity, supply, equipment, component, accessory, part, assembly, or product of any kind, technical information, process, or service.

Maintenance and Repair and Operating Supplies (MRO) includes the following—

(1) ''Maintenance'' is the upkeep necessary to continue any plant, facility, or equipment in working condition.

(2) ''Repair'' is the restoration of any plant, facility, or equipment to working condition when it has been rendered unsafe or unfit for service by wear and tear, damage, or failure of parts.

(3) ''Operating Supplies'' are any resources carried as operating supplies according to a person's established accounting practice. ''Operating Supplies'' may include hand tools and expendable tools, jigs, dies, fixtures used on production equipment, lubricants, cleaners, chemicals and other expendable items.

(4) MRO does not include items produced or obtained for sale to other persons or for installation upon or attachment to the property of another person, or items required for the production of such items; items needed for the replacement of any plant, facility, or equipment; or items for the improvement of any plant, facility, or equipment by replacing items which are still in working condition with items of a new or different kind, quality, or design.

Materials includes—

(1) Any raw materials (including minerals, metals, and advanced processed materials), commodities, articles, components (including critical components), products, and items of supply;

(2) Any technical information or services ancillary to the use of any such materials, commodities, articles, components, products, or items; and

(3) Natural resources such as oil and gas.

National defense means programs for military and health resources production or construction, military or critical infrastructure assistance to any foreign nation, homeland security, stockpiling, space, and any directly related activity. Such term includes emergency preparedness activities conducted pursuant to title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5195, *et seq.*) and critical infrastructure protection and restoration.

Official action means an action taken by the Department of Health and Human Services or another resource agency under the authority of the Defense Production Act, E.O.13603, and this part or another regulation under the Federal Priorities and Allocations System. Such actions include the issuance of Rating Authorizations, Directives, Set Asides, Allotments, Letters of Understanding, Memoranda of Understanding, and Demands for Information, Inspection Authorizations, and Administrative Subpoenas.

Person includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative thereof, or any State or local government or agency thereof.

Rated order means a prime contract, a subcontract, or a purchase order in support of an approved program issued in accordance with the provisions of this part.

Resource agency means any agency delegated priorities and allocations authority as specified in § 101.2.

Secretary means the Secretary of Health and Human Services.

Services includes any effort that is needed for or incidental to—

(1) The development, production, processing, distribution, delivery, or use of an industrial resource or a critical technology item;

(2) The construction of facilities;

(3) The movement of individuals and property by all modes of civil transportation; or

(4) Other national defense programs and activities.

Set-aside means an official action that requires a person to reserve materials, services, or facilities capacity in anticipation of the receipt of rated orders.

Stafford Act means title VI (Emergency Preparedness) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5195–5197h).

Water resources means all usable water, from all sources, within the jurisdiction of the United States, that can be managed, controlled, and allocated to meet emergency requirements, except ''water resources does not include usable water that qualifies as ''food resources''.

Subpart C—Placement of Rated Orders

§ 101.30 Delegations of authority.

The priorities and allocations authorities of the President under Title I of the DPA with respect to all forms of health resources have been delegated to the Secretary under E.O. 13603. The Secretary may re-delegate the Secretary's priority rating activities under the DPA though the allocations authority provided to the Secretary is not subject to delegation per Section 201(e) of E.O. 13603.

§ 101.31 Priority ratings.

(a) *Levels of priority.* (1) There are two levels of priority established by Federal Priorities and Allocations System regulations, identified by the rating symbols ''DO'' and ''DX''.

(2) All DO-rated orders have equal priority with each other and take precedence over unrated orders. All DX-rated orders have equal priority with each other and take precedence over DO-rated orders and unrated orders. (For resolution of conflicts among rated orders of equal priority, see § 101.34(c).)

(3) In addition, a Directive regarding priority treatment for a given item issued by the Department of Health and Human Services for that item takes precedence over any DX-rated order, DO-rated order, or unrated order, as stipulated in the Directive. (For a full discussion of Directives, see § 101. 62.

(b) *Program identification symbols.* Program identification symbols, such as ''DO–HR'', or ''DX–HR'', indicate which approved program is being supported by a rated order. Programs may be approved under the procedures of E.O. 13603 Section 202 at any time. Program identification symbols do not connote any priority.

(c) *Priority ratings.* A priority rating consists of the rating symbol—DO or DX—and the program identification symbol, such as DO–HR or DX–HR.

§ 101.32 Elements of a rated order.

Each rated order must include:

(a) The appropriate priority rating (*e.g.* DO–HR or DX–HR);

(b) A required delivery date or dates. The words ''immediately'' or ''as soon as possible'' do not constitute a delivery date. A ''requirements contract'', ''basic ordering agreement'', ''prime vendor contract'', or similar procurement document bearing a priority rating may contain no specific delivery date or dates and may provide for the furnishing of items or service from time-to-time or within a stated period against specific purchase orders, such as ''calls'', ''requisitions'', and ''delivery orders''. These purchase orders must specify a required delivery date or dates and are to be considered as rated as of the date of their receipt by the supplier and not as of the date of the original procurement document;

(c) The written signature on a manually placed order, or the digital signature or name on an electronically placed order, of an individual authorized to sign rated orders for the person placing the order. The signature or use of the name certifies that the rated order is authorized under this part and that the requirements of this part are being followed; and

(d)(1) A statement that reads in substance:

> This is a rated order certified for national defense use, and you are required to follow all the provisions of the Health Resources Priorities and Allocations System regulation at 45 CFR part 101.

(2) If the rated order is placed in support of emergency preparedness requirements and expedited action is necessary and appropriate to meet these requirements, the following sentences should be added following the statement set forth in paragraph (d)(1) of this section:

(i) This rated order is placed for the purpose of emergency preparedness. It must be accepted or rejected within two (2) days after receipt of the order if:

(A) The order is issued in response to a hazard that has occurred; or

(B) If the order is issued to prepare for an imminent hazard, as specified in HRPAS § 101.33(e).

(ii) [Reserved]

§ 101.33 Acceptance and rejection of rated orders.

(a) *Mandatory acceptance.* (1) Except as otherwise specified in this section, a person shall accept every rated order received and must fill such orders regardless of any other rated or unrated orders that have been accepted.

(2) A person shall not discriminate against rated orders in any manner such as by charging higher prices or by imposing different terms and conditions than for comparable unrated orders.

(b) *Mandatory rejection.* Unless otherwise directed by HHS for a rated order involving all forms of health resources:

(1) A person shall not accept a rated order for delivery on a specific date if unable to fill the order by that date. However, the person must inform the customer of the earliest date on which delivery can be made and offer to accept the order on the basis of that date. Scheduling conflicts with previously accepted lower rated or unrated orders are not sufficient reason for rejection under this section.

(2) A person shall not accept a DO-rated order for delivery on a date which would interfere with delivery of any previously accepted DO- or DX-rated orders. However, the person must offer to accept the order based on the earliest delivery date otherwise possible.

(3) A person shall not accept a DX-rated order for delivery on a date which would interfere with delivery of any previously accepted DX-rated orders, but must offer to accept the order based on the earliest delivery date otherwise possible.

(4) If a person is unable to fill all of the rated orders of equal priority status received on the same day, the person must accept, based upon the earliest delivery dates, only those orders which can be filled, and reject the other orders. For example, a person must accept order A requiring delivery on December 15 before accepting order B requiring delivery on December 31. However, the person must offer to accept the rejected orders based on the earliest delivery dates otherwise possible.

(c) *Optional rejection.* Unless otherwise directed by HHS for a rated order involving all forms of health resources, rated orders may be rejected in any of the following cases as long as a supplier does not discriminate among customers:

(1) If the person placing the order is unwilling or unable to meet regularly established terms of sale or payment;

(2) If the order is for an item not supplied or for a service not capable of being performed;

(3) If the order is for an item or service produced, acquired, or provided only for the supplier's own use for which no orders have been filled for two years prior to the date of receipt of the rated order. If, however, a supplier has sold some of these items or provided similar services, the supplier is obligated to accept rated orders up to that quantity or portion of production or service, whichever is greater, sold or provided within the past two years;

(4) If the person placing the rated order, other than the U.S. Government, makes the item or performs the service being ordered;

(5) If acceptance of a rated order or performance against a rated order would violate any other regulation, official action, or order of the HHS issued under the authority of the DPA or another relevant statute.

(d) *Customer notification requirements.* (1) Except as provided in paragraph (e) of this section, a person must accept or reject a rated order in writing or electronically within fifteen (15) working days after receipt of a DO-rated order and within ten (10) working days after receipt of a DX-rated order. If the order is rejected, the person must give reasons in writing or electronically for the rejection.

(2) If a person has accepted a rated order and subsequently finds that shipment or performance will be delayed, the person must notify the customer immediately, give the reasons for the delay, and advise of a new shipment or performance date. If notification is given verbally, written or electronic confirmation must be provided within five (5) working days.

(e) *Exception for emergency response conditions.* If the rated order is placed for the purpose of emergency preparedness, a person must accept or reject a rated order and transmit the acceptance or rejection in writing or in an electronic format within two (2) days after receipt of the order if:

(1) The order is issued in response to a hazard that has occurred; or

(2) The order is issued to prepare for an imminent hazard.

§ 101.34 Preferential scheduling.

(a) A person must schedule operations, including the acquisition of all needed production items or services, in a timely manner to satisfy the delivery requirements of each rated order. Modifying production or delivery schedules is necessary only when required delivery dates for rated orders cannot otherwise be met.

(b) DO-rated orders must be given production preference over unrated orders, if necessary to meet required delivery dates, even if this requires the diversion of items being processed or ready for delivery or services being performed against unrated orders. Similarly, DX-rated orders must be given preference over DO-rated orders and unrated orders. (Examples: If a person receives a DO-rated order with a delivery date of June 3 and if meeting that date would mean delaying production or delivery of an item for an unrated order, the unrated order must be delayed. If a DX-rated order is received calling for delivery on July 15 and a person has a DO-rated order requiring delivery on June 2 and operations can be scheduled to meet both deliveries, there is no need to alter production schedules to give any additional preference to the DX-rated order.)

(c) *Conflicting rated orders.* (1) If a person finds that delivery or performance against any accepted rated orders conflicts with the delivery or performance against other accepted rated orders of equal priority status, the person shall give precedence to the conflicting orders in the sequence in which they are to be delivered or performed (not to the receipt dates). If the conflicting orders are scheduled to be delivered or performed on the same day, the person shall give precedence to those orders that have the earliest receipt dates.

(2) If a person is unable to resolve rated order delivery or performance conflicts under this section, the person should promptly seek special priorities assistance as provided in §§ 101.40 through 101.44. If the person's customer objects to the rescheduling of delivery or performance of a rated order, the customer should promptly seek special priorities assistance as provided in §§ 101.40 through 101.44. For any rated order against which delivery or performance will be delayed, the person must notify the customer as provided in § 101.33(d)(2).

(d) If a person is unable to purchase needed production items in time to fill a rated order by its required delivery date, the person must fill the rated order by using inventoried production items. A person who uses inventoried items to fill a rated order may replace those items with the use of a rated order as provided in § 101.37(b).

§ 101.35 Extension of priority ratings.

(a) A person must use rated orders with suppliers to obtain items or services needed to fill a rated order. The person must use the priority rating indicated on the customer's rated order, except as otherwise provided in this part or as directed by the Department of Health and Human Services.

(b) The priority rating must be included on each successive order placed to obtain items or services needed to fill a customer's rated order. This continues from contractor to subcontractor to supplier throughout the entire procurement chain.

§ 101.36 Changes or cancellations of priority ratings and rated orders.

(a) The priority rating on a rated order may be changed or canceled by:

(1) An official action of HHS; or

(2) Written notification from the originating agency that placed the rated order.

(b) If an unrated order is amended so as to make it a rated order, or a DO rating is changed to a DX rating, the supplier must give the appropriate preferential treatment to the order as of the date the change is received by the supplier.

(c) An amendment to a rated order that significantly alters a supplier's original production or delivery schedule shall constitute a new rated order as of the date of its receipt. The supplier must accept or reject the amended order according to the provisions of § 101.33.

(d) The following amendments do not constitute a new rated order: a change in shipping destination; a reduction in the total amount of the order; an increase in the total amount of the order which has negligible impact upon deliveries; a minor variation in size or design; or a change which is agreed upon between the supplier and the customer.

(e) If a person no longer needs items or services to fill a rated order, any rated orders placed with suppliers for the items or services, or the priority rating on those orders, must be canceled.

(f) When a priority rating is added to an unrated order, or is changed or canceled, all suppliers must be promptly notified in writing.

§ 101.37 Use of rated orders.

(a) A person must use rated orders to obtain:

(1) Items which will be physically incorporated into other items to fill rated orders, including that portion of such items normally consumed or converted into scrap or by-products in the course of processing;

(2) Containers or other packaging materials required to make delivery of the finished items against rated orders;

(3) Services, other than contracts of employment, needed to fill rated orders; and

(4) MRO needed to produce the finished items to fill rated orders.

(b) A person may use a rated order to replace inventoried items (including finished items) if such items were used to fill rated orders, as follows:

(1) The order must be placed within 90 days of the date of use of the inventory.

(2) A DO rating and the program identification symbol indicated on the customer's rated order must be used on the order. A DX rating may not be used even if the inventory was used to fill a DX-rated order.

(3) If the priority ratings on rated orders from one customer or several customers contain different program identification symbols, the rated orders may be combined. In this case, the program identification symbol ''H1'' must be used (*i.e.,* DO–H1).

(c) A person may combine DX- and DO-rated orders from one customer or several customers if the items or services covered by each level of priority are identified separately and clearly. If different program identification symbols are indicated on those rated orders of equal priority, the person must use the program identification symbol ''H1'' (*i.e.,* DO–H1 or DX–H1).

(d) *Combining rated and unrated orders.* (1) A person may combine rated and unrated order quantities on one purchase order provided that:

(i) The rated quantities are separately and clearly identified; and

(ii) The four elements of a rated order, as required by § 101.32, are included on the order with the statement required in § 101.32(d) modified to read in substance:

This purchase order contains rated order quantities certified for national defense use, and you are required to follow all applicable provisions of the Health Resources Priorities and Allocations System regulations at 45 CFR part 101, subpart A, only as it pertains to the rated quantities.

(2) A supplier must accept or reject the rated portion of the purchase order as provided in § 101.33 and give preferential treatment only to the rated quantities as required by this part. This part may not be used to require preferential treatment for the unrated portion of the order.

(3) Any supplier who believes that rated and unrated orders are being combined in a manner contrary to the intent of this part or in a fashion that causes undue or exceptional hardship may submit a request for adjustment or exception under § 101.80.

(e) A person may place a rated order for the minimum commercially procurable quantity even if the quantity needed to fill a rated order is less than that minimum. However, a person must combine rated orders as provided in paragraph (c) of this section, if possible, to obtain minimum procurable quantities.

(f) A person is not required to place a priority rating on an order for less than one-half of the Simplified Acquisition Threshold (as established in the Federal Acquisition Regulation (FAR) (see 48 CFR 2.101) or in other authorized acquisition regulatory or management systems) whichever amount is greater, provided that delivery can be obtained in a timely fashion without the use of the priority rating.

§ 101.38 Limitations on placing rated orders.

(a) *General limitations.* (1) A person may not place a DO- or DX-rated order unless entitled to do so under this part.

(2) Rated orders may not be used to obtain:

(i) Delivery on a date earlier than needed;

(ii) A greater quantity of the item or services than needed, except to obtain a minimum procurable quantity. Separate rated orders may not be placed solely for the purpose of obtaining minimum procurable quantities on each order;

(iii) Items or services in advance of the receipt of a rated order, except as specifically authorized by HHS (see § 101.41(c) for information on obtaining authorization for a priority rating in advance of a rated order);

(iv) Items that are not needed to fill a rated order, except as specifically authorized by HHS, or as otherwise permitted by this part; or

(v) Any of the following items unless specific priority rating authority has been obtained from HHS, a Delegate Agency, or the Department of Commerce, as appropriate:

(A) Items for plant improvement, expansion, or construction, unless they will be physically incorporated into a construction project covered by a rated order; and

(B) Production or construction equipment or items to be used for the manufacture of production equipment. [For information on requesting priority rating authority, see § 101.41.]

(vi) Any items related to the development of chemical or biological warfare capabilities or the production of chemical or biological weapons, unless such development or production has been authorized by the President or the Secretary of Defense. This provision does not however prohibit the use of the priority and allocations authority to acquire or produce qualified countermeasures that are necessary to treat, identify, or prevent harm from any biological or chemical agent that may cause a public health emergency affecting national security.

(b) *Jurisdictional limitations.* Unless authorized by the resource agency with jurisdiction, the provisions of this part are not applicable to the following resources:

(1) Food resources, food resource facilities, and the domestic distribution of farm equipment and commercial fertilizer (Resource agency with jurisdiction—Department of Agriculture);

(2) Energy supplies (Resource agency with jurisdiction—Department of Energy);

(3) All forms of civil transportation (Resource agency with jurisdiction—Department of Transportation);

(4) Water resources (Resource agency with jurisdiction—Department of Defense/U.S. Army Corps of Engineers); and

(5) Communications services (Resource agency with jurisdiction—National Communications System under E.O. 12472 of April 3, 1984).

Subpart D—Special Priorities Assistance

§ 101.40 General provisions.

(a) The six regulations that comprise the Federal Priorities and Allocations System are designed to be largely self-executing. However, from time-to-time production or delivery problems will arise in connection with rated orders for health resources as covered under this part. In this event, a person should immediately contact the Secretary for guidance, as specified in § 101.93. If the HHS is unable to resolve the problem or to authorize the use of a priority rating and believes additional assistance is warranted, HHS may forward the request to another agency with resource jurisdiction, or the Department of Commerce, as appropriate, for action. Special priorities assistance is provided to alleviate problems that do arise.

(b) Special priorities assistance is available for any reason consistent with this part. Generally, special priorities assistance is provided to expedite deliveries, resolve delivery conflicts, place rated orders, locate suppliers, or to verify information supplied by customers and vendors. Special priorities assistance may also be used to request rating authority for items that are not normally eligible for priority treatment.

(c) A request for special priorities assistance or priority rating authority must be submitted to the Secretary, as specified in § 101.93.

§ 101.41 Requests for priority rating authority.

(a) If a rated order is likely to be delayed because a person is unable to obtain items or services not normally rated under this part, the person may request the authority to use a priority rating in ordering the needed items or services.

(b) *Rating authority for production or construction equipment.* (1) A request for priority rating authority for production or construction equipment must be submitted to the U.S. Department of Commerce on Form BIS–999.

(2) When the use of a priority rating is authorized for the procurement of production or construction equipment, a rated order may be used either to purchase or to lease such equipment. However, in the latter case, the equipment may be leased only from a person engaged in the business of leasing such equipment or from a person willing to lease rather than sell.

(c) *Rating authority in advance of a rated prime contract.* (1) In certain cases and upon specific request, the Department of Health and Human Services, in order to promote the national defense, may authorize a person to place a priority rating on an order to a supplier in advance of the issuance of a rated prime contract. In these instances, the person requesting advance-rating authority must obtain sponsorship of the request from the Department of Health and Human Services or the appropriate Delegate Agency. The person shall also assume any business risk associated with the placing of rated orders in the event the rated prime contract is not issued.

(2) The person must state the following in the request:

It is understood that the authorization of a priority rating in advance of our receiving a rated prime contract from the Department of Health and Human Services and our use of that priority rating with our suppliers in no way commits the Department of Health and Human Services or any other government agency to enter into a contract or order or to expend funds. Further, we understand that the Federal Government shall not be liable for any cancellation charges, termination costs, or other damages that may accrue if a rated prime contract is not eventually placed and, as a result, we must subsequently cancel orders placed with the use of the priority rating authorized as a result of this request.

(3) In reviewing requests for rating authority in advance of a rated prime contract, HHS will consider, among other things, the following criteria:

(i) The probability that the prime contract will be awarded;

(ii) The impact of the resulting rated orders on suppliers and on other authorized programs;

(iii) Whether the contractor is the sole source;

(iv) Whether the item being produced has a long lead time;

(v) The time period for which the rating is being requested.

(4) The HHS may require periodic reports on the use of the rating authority granted under paragraph (c) of this section.

(5) If a rated prime contract is not issued, the person shall promptly notify all suppliers who have received rated orders pursuant to the advanced rating authority that the priority rating on those orders is cancelled.

§ 101.42 Examples of assistance.

(a) While special priorities assistance may be provided for any reason in support of this part, it is usually provided in situations where:

(1) A person is experiencing difficulty in obtaining delivery against a rated order by the required delivery date; or

(2) A person cannot locate a supplier for an item or service needed to fill a rated order.

(b) Other examples of special priorities assistance include:

(1) Ensuring that rated orders receive preferential treatment by suppliers;

(2) Resolving production or delivery conflicts between various rated orders;

(3) Assisting in placing rated orders with suppliers;

(4) Verifying the urgency of rated orders; and

(5) Determining the validity of rated orders.

§ 101.43 Criteria for assistance.

Requests for special priorities assistance should be timely, *i.e.,* the request has been submitted promptly and enough time exists for HHS, or the agencies to which HHS has delegated its authority to issue rated orders (the ''Delegate Agency''), or the Department of Commerce for industrial resources to effect a meaningful resolution to the problem, and must establish that:

(a) There is an urgent need for the item; and

(b) The applicant has made a reasonable effort to resolve the problem.

§ 101.44 Instances where assistance may not be provided.

Special priorities assistance is provided at the discretion of HHS or the Delegate Agency when it is determined that such assistance is warranted to meet the objectives of this part. Examples where assistance may not be provided include situations when a person is attempting to:

(a) Secure a price advantage;

(b) Obtain delivery prior to the time required to fill a rated order;

(c) Gain competitive advantage;

(d) Disrupt an industry apportionment program in a manner designed to provide a person with an unwarranted share of scarce items; or

(e) Overcome a supplier's regularly established terms of sale or conditions of doing business.

Subpart E—Allocation Actions

§ 101.50 Policy.

(a) It is the policy of the Federal Government that the allocations authority under title I of the Defense Production Act may:

(1) Only be used when there is insufficient supply of a material, service, or facility to satisfy national defense supply requirements through the use of the priorities authority or when the use of the priorities authority would cause a severe and prolonged disruption in the supply of materials, services, or facilities available to support normal U.S. economic activities; and

(2) Not be used to ration materials or services at the retail level.

(b) Allocation orders, when used, will be distributed equitably among the suppliers of the materials, services, or facilities being allocated and not require any person to relinquish a disproportionate share of the civilian market.

§ 101.51 General procedures.

When HHS plans to execute its allocations authority to address a supply problem within its resource jurisdiction, the Department shall develop a plan that includes the following information:

(a) A copy of the Secretary's finding for Presidential approval made, in accordance with Section 201(e) of E.O. 13603, that the material or materials at issue are scarce and critical materials essential to the national defense and that the requirements for national defense for such material(s) cannot otherwise be met without creating a significant dislocation of the normal distribution of such material(s) in to such a degree as to create appreciable hardship.

(b) A detailed description of the situation to include any unusual events or circumstances that have created the requirement for an allocation action;

(c) A statement of the specific objective(s) of the allocation action;

(d) A list of the materials, services, or facilities to be allocated;

(e) A list of the sources of the materials, services, or facilities that will be subject to the allocation action;

(f) A detailed description of the provisions that will be included in the allocation orders, including the type(s) of allocation orders, the percentages or quantity of capacity or output to be allocated for each purpose, and the duration of the allocation action (*i.e.,* anticipated start and end dates);

(g) An evaluation of the impact of the proposed allocation action on the civilian market; and

(h) Proposed actions, if any, to mitigate disruptions to civilian market operations.

§ 101.52 Controlling the general distribution of a material in the civilian market.

(a) No allocation action taken by HHS may be used to control the general distribution of a material in the civilian market, unless the Secretary has:

(1) Made a written finding that:

(i) Such material is a scarce and critical material essential to the national defense, and

(ii) The requirements of the national defense for such material cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship;

(2) Submitted the finding for the President's approval through the Assistant to the President for National Security Affairs; and

(3) The President has approved the finding.

(b) The requirements of this section may not delegated by the Secretary (See E.O. 13603, Section 201(e)).

§ 101.53 Types of allocation orders.

There are three types of allocation orders available for communicating allocation actions. These are:

(a) *Set-aside.* An official action that requires a person to reserve materials, services, or facilities capacity in anticipation of the receipt of rated orders;

(b) *Directive.* An official action that requires a person to take or refrain from taking certain actions in accordance with its provisions. A directive can require a person to: Stop or reduce production of an item; prohibit the use of selected materials, services, or facilities; or divert the use of materials, services, or facilities from one purpose to another; and

(c) *Allotment.* An official action that specifies the maximum quantity of a material, service, or facility authorized for a specific use.

§ 101.54 Elements of an allocation order.

Each allocation order must include:

(a) A detailed description of the required allocation action(s);

(b) Specific start and end calendar dates for each required allocation action;

(c) The written signature on a manually placed order, or the digital signature or name on an electronically placed order, of the Secretary of Health and Human Services. The signature or use of the name certifies that the order is authorized under this part and that the requirements of this part are being followed;

(d) A statement that reads in substance:

This is an allocation order certified for national defense use. [Insert the legal name of the person receiving the order] is required to comply with this order, in accordance with the provisions of the Health Resources Priorities and Allocations System regulation (45 CFR part 101, subpart A), which is part of the Federal Priorities and Allocations System; and

(e) A current copy of the Health Resources Priorities and Allocations System regulation (subpart A of this part).

§ 101.55 Mandatory acceptance of an allocation order.

(a) Except as otherwise specified in this section (see paragraph (c) of this section), a person shall accept and comply with every allocation order received.

(b) A person shall not discriminate against an allocation order in any manner such as by charging higher prices for materials, services, or facilities covered by the order or by imposing terms and conditions for contracts and orders involving allocated materials, services, or facilities that differ from the person's terms and conditions for contracts and orders for the materials, services, or facilities prior to receiving the allocation order.

(c) If a person is unable to comply fully with the required action(s) specified in an allocation order, the person must notify the Secretary, as specified in § 101.93, immediately, explain the extent to which compliance is possible, and give the reasons why full compliance is not possible. If notification is given verbally, written or electronic confirmation must be provided within five (5) working days. Such notification does not release the person from complying with the order to the fullest extent possible, until the person is notified by the Department of Health and Human Services that the order has been changed or cancelled.

§ 101.56 Changes or cancellations of an allocation order.

An allocation order may be changed or canceled by an official action of the Department of Health and Human Services.

Subpart F—Official Actions

§ 101.60 General provisions.

(a) HHS may take specific official actions to implement the provisions of this subpart.

(b) These official actions include, but are limited to, Rating Authorizations, Directives, and Memoranda of Understanding (*See* § 101.20.)

§ 101.61 Rating Authorizations.

(a) A Rating Authorization is an official action granting specific priority rating authority that:

(1) Permits a person to place a priority rating on an order for an item or service not normally ratable under this part; or

(2) Authorizes a person to modify a priority rating on a specific order or series of contracts or orders.

(b) To request priority rating authority, see § 101.41.

§ 101.62 Directives.

(a) A Directive is an official action that requires a person to take or refrain from taking certain actions in accordance with its provisions.

(b) A person must comply with each Directive issued. However, a person may not use or extend a Directive to obtain any items from a supplier, unless expressly authorized to do so in the Directive.

(c) A Priorities Directive takes precedence over all DX-rated orders, DO-rated orders, and unrated orders previously or subsequently received, unless a contrary instruction appears in the Directive.

(d) An Allocations Directive takes precedence over all Priorities Directives, DX-rated orders, DO-rated orders, and unrated orders previously or subsequently received, unless a contrary instruction appears in the Directive.

§ 101.63 Letters and Memoranda of Understanding.

(a) A Letter or Memorandum of Understanding is an official action that may be issued in resolving special priorities assistance cases to reflect an agreement reached by all parties including HHS, the Department of Commerce (if applicable), a Delegate Agency (if applicable), the supplier, and the customer).

(b) A Letter or Memorandum of Understanding is not used to alter scheduling between rated orders, to authorize the use of priority ratings, to

impose restrictions under this part. Rather, Letters or Memoranda of Understanding are used to confirm production or shipping schedules that do not require modifications to other rated orders.

Subpart G—Compliance

§ 101.70 General provisions.

(a) HHS may take specific official actions for any reason necessary or appropriate to the enforcement or the administration of the Defense Production Act and other applicable statutes, this part, or an official action. Such actions include Administrative Subpoenas, Demands for Information, and Inspection Authorizations.

(b) Any person who places or receives a rated order or an allocation order must comply with the provisions of this part.

(c) Willful violation of the provisions of title I or section 705 of the Defense Production Act and other applicable statutes, this part, or an official action of the Department of Health and Human Services is a criminal act, punishable as provided in the Defense Production Act and other applicable statutes, and as set forth in § 101.74.

§ 101.71 Audits and investigations.

(a) Audits and investigations are official examinations of books, records, documents, other writings and information to ensure that the provisions of the Defense Production Act and other applicable statutes, this part, and official actions have been properly followed. An audit or investigation may also include interviews and a systems evaluation to detect problems or failures in the implementation of this part.

(b) When undertaking an audit or investigation, HHS shall:

(1) Define the scope and purpose in the official action given to the person under investigation; and

(2) Have ascertained that the information sought or other adequate and authoritative data are not available from any Federal or other responsible agency.

(c) In administering this part, HHS may issue the following documents that constitute official actions:

(1) *Administrative Subpoenas.* An Administrative Subpoena requires a person to appear as a witness before an official designated by HHS to testify under oath on matters of which that person has knowledge relating to the enforcement or the administration of the Defense Production Act and other applicable statutes, this part, or official actions. An Administrative Subpoena may also require the production of books, papers, records, documents and physical objects or property.

(2) *Demands for Information.* A Demand for Information requires a person to furnish to a duly authorized representative of HHS any information necessary or appropriate to the enforcement or the administration of the Defense Production Act and other applicable statutes, this part, or official actions.

(3) *Inspection Authorizations.* An Inspection Authorization requires a person to permit a duly authorized representative of HHS to interview the person's employees or agents, to inspect books, records, documents, other writings, and information, including electronically-stored information, in the person's possession or control at the place where that person usually keeps them or otherwise, and to inspect a person's property when such interviews and inspections are necessary or appropriate to the enforcement or the administration of the Defense Production Act and related statutes, this part, or official actions.

(d) The production of books, records, documents, other writings, and information will not be required at any place other than where they are usually kept, if, prior to the return date specified in the Administrative Subpoena or Demand for Information, a duly authorized official of HHS is furnished with copies of such material that are certified under oath to be true copies. As an alternative, a duly authorized representative of HHS may enter into a stipulation with a person as to the content of the material.

(e) An Administrative Subpoena, Demand for Information, or Inspection Authorization, shall include the name, title, or official position of the person to be served, the evidence sought to be adduced, and its general relevance to the scope and purpose of the audit, investigation, or other inquiry. If employees or agents are to be interviewed; if books, records, documents, other writings, or information are to be produced; or if property is to be inspected; the Administrative Subpoena, Demand for Information, or Inspection Authorization will describe them with particularity.

(f) Service of documents shall be made in the following manner:

(1) Service of a Demand for Information or Inspection Authorization shall be made personally, or by Certified Mail-Return Receipt Requested at the person's last known address. Service of an Administrative Subpoena shall be made personally. Personal service may also be made by leaving a copy of the document with someone at least 18 years old at the person's last known dwelling or place of business.

(2) Service upon other than an individual may be made by serving a partner, corporate officer, or a managing or general agent authorized by appointment or by law to accept service of process. If an agent is served, a copy of the document shall be mailed to the person named in the document.

(3) Any individual 18 years of age or over may serve an Administrative Subpoena, Demand for Information, or Inspection Authorization. When personal service is made, the individual making the service shall prepare an affidavit as to the manner in which service was made and the identity of the person served, and return the affidavit, and in the case of subpoenas, the original document, to the issuing officer. In case of failure to make service, the reasons for the failure shall be stated on the original document.

§ 101.72 Compulsory process.

(a) If a person refuses to permit a duly authorized representative of the Department of Health and Human Services to have access to any premises or to the source of information necessary to the administration or the enforcement of the Defense Production Act and other applicable statutes, this part, or official actions, HHS, through its authorized representative may seek compulsory process. Compulsory process means the institution of appropriate legal action, including ex parte application for an inspection warrant or its equivalent, in any forum of appropriate jurisdiction.

(b) Compulsory process may be sought in advance of an audit, investigation, or other inquiry, if, in the judgment of the Secretary there is reason to believe that a person will refuse to permit an audit, investigation, or other inquiry, or that other circumstances exist which make such process desirable or necessary.

§ 101.73 Notification of failure to comply.

(a) At the conclusion of an audit, investigation, or other inquiry, or at any other time, HHS may inform the person in writing of HHS's position regarding that person's non-compliance with the requirements of the DPA and other applicable statutes, this part, or an official action.

(b) In cases where HHS determines that failure to comply with the provisions of the DPA and other applicable statutes, this part, or an official action was inadvertent, the person may be informed in writing of the particulars involved and the

corrective action to be taken. Failure to take corrective action may then be construed as a willful violation of DPA and other applicable statutes, this part, or an official action.

§ 101.74 Violations, penalties, and remedies.

(a) Willful violation of the provisions of the DPA, the priorities provisions of the Selective Service Act and related statutes (when applicable), this part, or an official action, is a crime and upon conviction, a person may be punished by fine or imprisonment, or both. The maximum penalties provided by the DPA are a $10,000 fine, or one year in prison, or both. The maximum penalties provided by the Selective Service Act and related statutes are a $50,000 fine, or three years in prison, or both.

(b) The Government may also seek an injunction from a court of appropriate jurisdiction to prohibit the continuance of any violation of, or to enforce compliance with, the DPA, this part, or an official action.

(c) In order to secure the effective enforcement of the DPA and other applicable statutes, this part, and official actions, the following are prohibited:

(1) No person may solicit, influence or permit another person to perform any act prohibited by, or to omit any act required by, the DPA and other applicable statutes, this part, or an official action.

(2) No person may conspire or act in concert with any other person to perform any act prohibited by, or to omit any act required by, the DPA and other applicable statutes, this part, or an official action.

(3) No person shall deliver any item if the person knows or has reason to believe that the item will be accepted, redelivered, held, or used in violation of the DPA and other applicable statutes, this part, or an official action. In such instances, the person must immediately notify HHS that, in accordance with this provision, delivery has not been made.

§ 101.75 Compliance conflicts.

If compliance with any provision of the DPA and other applicable statutes, this part, or an official action would prevent a person from filling a rated order or from complying with another provision of the DPA and other applicable statutes, this part, or an official action, the person must immediately notify the Secretary, as specified in § 101.93, for resolution of the conflict.

Subpart H—Adjustments, Exceptions, and Appeals

§ 101.80 Adjustments or exceptions.

(a) A person may submit a request to the Secretary for an adjustment or exception on the ground that:

(1) A provision of this part or an official action results in an undue or exceptional hardship on that person not suffered generally by others in similar situations and circumstances; or

(2) The consequences of following a provision of this part or an official action are contrary to the intent of the DPA and other applicable statutes, or this part.

(b) Each request for adjustment or exception must be in writing and contain a complete statement of all the facts and circumstances related to the provision of this part or official action from which adjustment is sought and a full and precise statement of the reasons why relief should be provided.

(c) The submission of a request for adjustment or exception shall not relieve any person from the obligation of complying with the provision of this part or official action in question while the request is being considered unless such interim relief is granted in writing by the Secretary or the Secretary's designated representative.

(d) A decision of the Secretary or the Secretary's designated representative under this section may be appealed to the Secretary (For information on the appeal procedure, see § 101.81.)

§ 101.81 Appeals.

(a) Any person whose request for adjustment or exception was denied by the Secretary or the Secretary's designated representative under Section. 94a.80, may appeal to the Secretary who, through the Secretary's designated representative, shall review and reconsider the denial.

(b)(1) Except as provided in paragraph (b)(2) of this section, an appeal must be received by the Secretary no later than 45 days after receipt of a written notice of denial. After this 45 day period, an appeal may be accepted at the discretion of the Secretary.

(2) For requests for adjustment or exception involving rated orders placed for the purpose of emergency preparedness (see § 101.33(e)), an appeal must be received by the Secretary, no later than 15 days after receipt of a written notice of denial. Contract performance under the order shall not be stayed pending resolution of the appeal.

(c) Each appeal must be in writing and contain a complete statement of all the facts and circumstances related to the action appealed from and a full and precise statement of the reasons the decision should be modified or reversed.

(d) In addition to the written materials submitted in support of an appeal, an appellant may request, in writing, an opportunity for an informal hearing. This request may be granted or denied at the discretion of the Secretary or the Secretary's designated representative.

(e) When a hearing is granted, the Secretary may designate an HHS employee to act as the Secretary's representative and hearing officer to conduct the hearing and to prepare a report. The hearing officer shall determine all procedural questions and impose such time or other limitations deemed reasonable. In the event that the hearing officer decides that a printed transcript is necessary, all expenses shall be borne by the appellant.

(f) When determining an appeal, the Secretary may consider all information submitted during the appeal as well as any recommendations, reports, or other relevant information and documents available to HHS or consult with any other persons or groups.

(g) The submission of an appeal under this section shall not relieve any person from the obligation of complying with the provision of this part or official action in question while the appeal is being considered unless such relief is granted in writing by the Secretary.

Subpart I—Miscellaneous Provisions

§ 101.90 Protection against claims.

A person shall not be held liable for damages or penalties for any act or failure to act resulting directly or indirectly from compliance with any provision of this part, or an official action, notwithstanding that such provision or action shall subsequently be declared invalid by judicial or other competent authority.

§ 101.91 Records and reports.

(a) Persons are required to make and preserve for at least three years, accurate and complete records of any transaction covered by this part or an official action.

(b) Records must be maintained in sufficient detail to permit the determination, upon examination, of whether each transaction complies with the provisions of this part or any official action. However, this part does not specify any particular method or system to be used.

(c) Records required to be maintained by this part must be made available for examination on demand by duly authorized representatives of HHS as provided in § 101.71.

(d) In addition, persons must develop, maintain, and submit any other records and reports to HHS that may be required for the administration of the DPA and other applicable statutes, and this part.

(e) DPA Section 705(d), as implemented by E.O. 13603, provides that information obtained under this section which the Secretary deems confidential, or with reference to which a request for confidential treatment is made by the person furnishing such information, shall not be published or disclosed unless the Secretary determines that the withholding of this information is contrary to the interest of the national defense. Information required to be submitted to HHS in connection with the enforcement or administration of the DPA, this part, or an official action, is deemed to be confidential under DPA Section 705(d) and shall be handled in accordance with applicable Federal law.

§ 101.92 Applicability of this part and official actions.

(a) This part and all official actions, unless specifically stated otherwise, apply to transactions in any state, territory, or possession of the United States and the District of Columbia.

(b) This part and all official actions apply not only to deliveries to other persons but also include deliveries to affiliates and subsidiaries of a person and deliveries from one branch, division, or section of a single entity to another branch, division, or section under common ownership or control.

(c) This part and its schedules shall not be construed to affect any administrative actions taken by HHS, or any outstanding contracts or orders placed pursuant to any of the regulations, orders, schedules or delegations of authority previously issued by HHS pursuant to authority granted to HHS, by the President under the DPA and E.O. 13603. Such actions, contracts, or orders shall continue in full force and effect under this part unless modified or terminated by proper authority.

§ 101.93 Communications.

All communications concerning this part, including requests for copies of the part and explanatory information, requests for guidance or clarification, and requests for adjustment or exception shall be addressed to the Secretary, U.S. Department of Health and Human Services, and Washington, DC.

Dated: March 3, 2015.

Sylvia M. Burwell,

Secretary.

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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 622

[Docket No. 140214145–5582–02]

RIN 0648–BD81

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coral, Coral Reefs, and Live/Hard Bottom Habitats of the South Atlantic Region; Amendment 8

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final rule.

SUMMARY: NMFS issues this final rule to implement Amendment 8 to the Fishery Management Plan for Coral, Coral Reefs, and Live/Hard Bottom Habitats of the South Atlantic Region (FMP) (Amendment 8), as prepared by the South Atlantic Fishery Management Council (Council). This final rule expands portions of the northern and western boundaries of the Oculina Bank Habitat Area of Particular Concern (HAPC) (Oculina Bank HAPC) and allows transit through the Oculina Bank HAPC by fishing vessels with rock shrimp onboard; modifies vessel monitoring system (VMS) requirements for rock shrimp fishermen transiting through the Oculina Bank HAPC with rock shrimp on aboard; expands a portion of the western boundary of the Stetson Reefs, Savannah and East Florida Lithoherms, and Miami Terrace Deepwater Coral HAPC (CHAPC) (Stetson-Miami Terrace CHAPC), including modifications to the shrimp access area A, which is renamed ''shrimp access area 1''; and expands a portion of the northern boundary of the Cape Lookout Lophelia Banks Deepwater CHAPC (Cape Lookout CHAPC). In addition, this rule makes a minor administrative change to the names of the shrimp fishery access areas. The purpose of this rule is to increase protections for deepwater coral based on new information for deepwater coral resources in the South Atlantic.

DATES: This rule is effective August 17, 2015.

ADDRESSES: Electronic copies of Amendment 8, which includes an environmental assessment and a regulatory impact review, may be obtained from the Southeast Regional Office Web site at *http://sero.nmfs.noaa.gov/sustainable_fisheries/s_atl/coral/index.html.*

Comments regarding the burden-hour estimates or other aspects of the collection-of-information requirements contained in this final rule may be submitted in writing to Anik Clemens, Southeast Regional Office, NMFS, 263 13th Avenue South, St. Petersburg, FL 33701; and OMB, by email at *OIRA Submission@omb.eop.gov,* or by fax to 202–395–7285.

FOR FURTHER INFORMATION CONTACT: Karla Gore, Southeast Regional Office, telephone: 727–824–5305.

SUPPLEMENTARY INFORMATION: South Atlantic coral is managed under the FMP. The FMP is implemented under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) by regulations at 50 CFR part 622.

On May 20, 2014, NMFS published a notice of availability for Amendment 8 and requested public comment (79 FR 28880). On July 3, 2014, NMFS published a proposed rule for Amendment 8 and requested public comment (79 FR 31907). Subsequently, NMFS published a correction to the notice of availability (79 FR 37269, July 1, 2014) and the proposed rule (79 FR 37270, July 1, 2014) to correct an error in the size of the Oculina Bank HAPC. The proposed rule and NOA stated that the size of the Oculina Bank HAPC would expand ''by 405.42 square miles (1,050 square km), for a total area of 694.42 square miles (1,798.5 square km) . . .'' However, this was incorrect. The published corrections explained that the increase in size of the Oculina Bank HAPC would be 343.42 square miles (889.5 square km), for a total area of 632.42 square miles (1,638 square km). The Secretary approved the amendment on August 18, 2014. The proposed rule and Amendment 8 set forth the rationale for the actions contained in this final rule. A summary of the actions implemented by this final rule is provided below.

Management Measures Contained in This Final Rule

This final rule expands the boundaries of the Oculina Bank HAPC and allows transit through the Oculina Bank HAPC by fishing vessels with rock shrimp onboard; modifies the VMS

requirements for rock shrimp fishermen transiting the Oculina Bank HAPC; expands the boundaries of the Stetson-Miami Terrace CHAPC, the adjacent shrimp fishery access area, and the Cape Lookout CHAPC; and makes a minor administrative change to the names of the shrimp fishery access areas. The purpose of these measures is to provide better protection for deepwater coral ecosystems.

Expansion of Oculina Bank HAPC

This final rule increases the size of the Oculina Bank HAPC by 343.42 square miles (889.5 square km), for a total area of 632.42 square miles (1,638 square km) and, except for a limited transit provision described below, extends the current prohibitions to the larger area, and increases protection of coral. The prohibitions for the Oculina Bank include the following: It is unlawful to use a bottom longline, bottom trawl, dredge, pot or trap, and if aboard a fishing vessel it is unlawful to anchor, use an anchor and chain, or use a grapple and chain. Additionally, it is unlawful to fish for or possess rock shrimp in or from the Oculina Bank HAPC on board a fishing vessel.

Transit Provision With Rock Shrimp on Board Through Oculina Bank HAPC

This final rule establishes a transit provision to allow fishing vessels with rock shrimp onboard to transit the Oculina Bank HAPC under limited circumstances. To be considered to be in transit and thus allowed to possess rock shrimp on board a vessel in the Oculina Bank HAPC, a vessel must have a valid commercial permit for rock shrimp, the vessel's gear must be appropriately stowed (*i.e.,* doors and nets are required to be out of water and onboard the deck or below the deck of the vessel), and the vessel must maintain a direct and non-stop continuous course through the HAPC at a minimum speed of 5 knots, as determined by an operating VMS approved for the South Atlantic rock shrimp fishery onboard the vessel. In addition, this rule modifies the VMS requirements to require all vessels with rock shrimp onboard that choose to transit the Oculina Bank HAPC to have a VMS unit that registers a VMS ping (signal) rate of 1 ping per 5 minutes. As discussed in the proposed rule, not all VMS units used on the vessels in the rock shrimp fishery were expected to be able to meet the ping rate requirement. As a result, some vessels were expected to have to reconfigure or upgrade their unit, or purchase a new unit, in order to be able to transit the Oculina Bank HAPC within this exception. However, since publication of the proposed rule, NMFS has determined that all vessels have VMS units that are capable of registering a VMS ping (signal) rate of 1 ping per 5 minutes, however, they will incur higher communication costs for this ping rate if they choose to transit the Oculina Bank HAPC with rock shrimp onboard. These communication costs will be offset by not incurring the costs associated with having to transit around the HAPC to get to or from the fishing grounds. This transit provision allows rock shrimp fishermen with rock shrimp onboard their vessels to travel to and from additional rock shrimp fishing grounds in less time using less fuel than if the fishermen are required to travel around the Oculina Bank HAPC.

Expansion of the Stetson-Miami Terrace CHAPC and the Cape Lookout CHAPC

This final rule increases the size of the Stetson-Miami Terrace CHAPC by 490 square miles (1,269 square km), for a total area of 24,018 square miles (62,206 square km), and increases the size of the Cape Lookout CHAPC by 10 square miles (26 square km), for a total area of 326 square miles (844 square km), and extends the current CHAPC gear prohibitions to the larger areas to increase protection of deepwater coral ecosystems. The prohibitions for the CHAPCs include the following: It is unlawful to use a bottom longline, trawl (mid-water or bottom), dredge, pot or trap, and if aboard a fishing vessel, it is unlawful to anchor, use an anchor and chain, or use a grapple and chain. Additionally, it is unlawful to fish for or possess coral in or from the CHAPCs on board a fishing vessel.

Additionally, the expansion of the Stetson-Miami Terrace CHAPC provides royal red shrimp fishermen a new zone adjacent to the existing shrimp access area A (renamed ''shrimp access area 1'', as discussed in the next section of this preamble) within which they can haul-back fishing gear without drifting into an area where their gear is prohibited. Thus, this rule expands the shrimp fishery access area to include the new haul-back zone.

Other Changes to Regulatory Text

This rule also revises the names of the shrimp fishery access areas, from ''shrimp access area A–D'' to ''shrimp access area 1–4'', in the regulations implemented through the Comprehensive Ecosystem-Based Amendment 1 (75 FR 35330, June 22, 2010) to more closely match the names in the FMP. This final rule also revises 50 CFR 622.224(c)(3)(i)–(iv), to change the four shrimp fishery access areas titles.

Comments and Responses

NMFS received a total of 35 comment letters on Amendment 8 and the proposed rule, which include letters from a Federal agency, an environmental organization, private citizens, recreational fishermen, commercial fishermen, and fishing associations. Five letters expressed support for the amendment and three letters were unrelated to the actions in Amendment 8. One comment letter was signed by 257 members of the rock shrimp fishing industry and opposed the implementation of the amendment. The specific comments on the actions contained in Amendment 8 and the proposed rule and NMFS's respective responses, are summarized below.

Comment 1: Amendment 8 is not based upon the best scientific information available because the analysis to determine the location of fishing and the socio-economic impacts of proposed extensions to the HAPCs was based on VMS data. The assumption that each VMS point should be given equal value is incorrect. Amendment 8 should have included trawl track data generated from WinPlot™ software matched up to trip ticket information from the state of Florida. Trawl track data, instead of VMS data, may be more easily correlated with trip ticket information to determine location and value of catches.

Response: NMFS disagrees that Amendment 8 was not based on the best scientific information available. NMFS requires a VMS onboard each rock shrimp fishing vessel to determine where the fishing vessel is fishing and provides this information through VMS generated trawl track data. NMFS does not require trawl track data generated by WinPlot™ or any other proprietary tracking or monitoring system. Thus, VMS data were used in Amendment 8 to determine location of fishing effort and economic impacts, and NMFS has determined that Amendment 8 used the best scientific information available.

WinPlot™ is charting software used by some fishermen in the rock shrimp fishery in addition to the required VMS. It is unknown if all rock shrimp fishermen are using Winplot™ software or if they all are recording the same information for each trawl or trip. Trawl track information from WinPlot™ represents self-reported data for which there are no standardized data elements, and there would be limited utility of trying to use WinPlot™ trawl track data for socio-economic analysis. Instead, the data from the required VMS units were used to determine the socio-economic impacts. The analysis considered the

percentage of VMS points on average that occur in the area that would become closed to rock shrimp fishing. Rock shrimp landings information cannot be associated to each VMS data point. As a result, any assessment of the expected effects of the Oculina Bank HAPC expansion requires an assumption of how harvest is expected to be distributed over the area encompassed by the expansion. NMFS has determined that the assumption that the harvest of rock shrimp occurs uniformly across each VMS data point is reasonable.

Comment 2: The rock shrimp industry (vessels, restaurants, processors, fish houses, fuel companies, freight companies, crews, dock workers, etc.) will suffer significant economic impacts if the northern expansion of the Oculina Bank HAPC in Amendment 8 is implemented.

Response: The northern expansion of the Oculina Bank HAPC may have adverse economic effects on some individual businesses associated with the rock shrimp industry; however, NMFS disagrees that the industry will suffer significant economic impacts due to the variable nature of rock shrimp harvest. The average annual revenue from rock shrimp harvest over the period 2007–2012 was $1.92 million (2012 dollars), but ranged from a low of approximately $442,000 in 2007 to a high of approximately $3.89 million in 2008. In 2012, the most recent year for which final data were available at the time of completion of Amendment 8, the rock shrimp revenue was approximately $501,000. Thus, the economic performance of the industry is quite variable and the associated businesses, on average, would be expected to be economically flexible by necessity. For rock shrimp harvesters, this flexibility is demonstrated by the fact that, on average, the majority of annual fishing revenue comes from other species. Over the period 2009, 2010, and 2011, rock shrimp accounted for 27 percent, 22 percent, and 13 percent of the average total fishing revenue per vessel in each year, respectively. Comparable data for more recent years are not available. For rock shrimp harvesters, penaeid shrimp harvested in the South Atlantic was the highest revenue species in each year, ranging from 43 percent in 2011 to 63 percent in 2009. Additionally, although there are an estimated 104 vessels permitted to harvest rock shrimp, the number of vessels that actually harvest rock shrimp in the South Atlantic is substantially less. During 2009, 2010, and 2011, only 31, 19, and 18 vessels harvested rock shrimp in the South Atlantic in these years, respectively, and the production results provided above reflect the estimated average performance of these vessels. These results demonstrate, on average, that although the revenue from rock shrimp comprises a substantial portion of total annual revenue, rock shrimp fishermen are more dependent on other species.

In addition to analyzing the relative importance of rock shrimp revenue within the total fishing revenue, the significance of any economic effects will be determined by the expected reduction in rock shrimp harvest. It is not possible to determine with certainty the reduction in rock shrimp harvest that may occur as a result of the proposed expansion of the Oculina Bank HAPC because available data does not allow for the tabulation of rock shrimp harvest per tow, and the harvest area is recorded by statistical grid (60 nautical miles squared). Additionally, the distribution and abundance of rock shrimp in any area is highly variable from year to year. Although anecdotal information made available through public comment may suggest higher rock shrimp yields in the northern expansion of the Oculina Bank HAPC in 2013, sufficient information is not available to conclude this higher abundance of rock shrimp will persist or that it is more representative of future conditions than the historic average. Further, it has not been shown that the northern expansion of the Oculina Bank HAPC is the source of substantial rock shrimp harvest in years when total rock shrimp harvests have been high. In the absence of harvest data per tow, the assessment of the expected reduction in rock shrimp harvest was based on the assumption that rock shrimp harvest is uniformly distributed over the statistical grid and, thus, the reduction in harvest as a result of the northern expansion of the Oculina Bank HAPC would be proportionate to the amount of area in the expansion relative to the area in the total statistical grid within which harvest is reported. Although this assumption may not capture the actual harvest that has occurred in the expansion area, or the potential higher productivity that may occasionally occur in future years, NMFS has determined this assumption is reasonable.

Comment 3: Does the analysis use all of the existing 678 commercial vessel permits for South Atlantic snapper-grouper, or only the vessel logbooks home ported nearest the Amendment 8 proposed expansions of the Oculina Bank HAPC areas from Fort Pierce north to St. Augustine, Florida, or only the logbooks of the vessels that indicated they fished in that area with landings as a metric of socio-economic impact in this analysis? The minimal impact description to the commercial snapper-grouper fleet contained in Amendment 8 is incorrect.

Response: The assessment of the socio-economic effects of the expansion of the Oculina Bank HAPC was based on the expected average harvest of snapper-grouper species in the area of the expansion over the period 2009–2011, as recorded in all logbooks regardless of where the respective vessels were home-ported. Because harvest is recorded by statistical grid (60 nautical miles squared) and is not available at finer geographic resolution, the expected reduction in snapper-grouper harvest was based on the assumption that snapper-grouper harvest is uniformly distributed over the area in the statistical grid and, thus, the reduction in harvest as a result of the northern expansion of the Oculina Bank HAPC would be proportionate to the amount of area in the expansion relative to the area in the total statistical grid within which harvest is reported. Although this assumption may not capture the actual harvest that has occurred in the proposed expansion area, NMFS has determined this assumption is reasonable.

Comment 4: The $189,464 average annual revenue loss estimate for the proposed northern and western extension to the Oculina Bank HAPC is too low. Rock shrimp abundance and distribution is extremely variable, and only recent information, rather than an average, should be used in the economic analysis. The estimated value of the catches in the area was approximately $1,000,000 for a subset of 6 vessels over a 3-week period in September 2013, which substantially transcends the average annual revenue loss of $189,464 for all vessels in the entire fishery over the entire fishing year, as set forth in Amendment 8.

Response: NMFS disagrees that the average annual revenue loss estimate for the proposed northern and western extension to the Oculina Bank HAPC is too low. Because rock shrimp are so variable over time and space, it is not appropriate to use only the most recent anecdotal information to determine the socio-economic effects of the proposed action. The Council approved Amendment 8 for review by the Secretary of Commerce at its September 2013 meeting. On November 6, 2013, the Council was informed in a letter about high landings of rock shrimp in the proposed northern extension of the Oculina Bank HAPC. Although anecdotal information made available

through public comment may suggest higher rock shrimp yields in the northern extension of the Oculina Bank HAPC in 2013, sufficient information is not available for NMFS to conclude a higher abundance will persist and is more representative of future conditions than the historic average as previously discussed.

Comment 5: Amendment 8 is in violation of the National Environmental Policy Act (NEPA) because Action 1 did not consider a reasonable range of alternatives. Alternatives 2 and 3 are completely distinct from each other and modify different boundaries of the HAPC, thus Alternative 3 should be a separate action. Also, Alternative 2 had two sub-alternatives and Alternative 3 did not have any. Furthermore, the Purpose and Need section of Amendment 8 is focused on protection of deepwater coral and does not include any reference to minimizing, to the extent practicable, adverse economic impacts on the rock shrimp fishery.

Response: NMFS disagrees that Amendment 8 is in violation of NEPA. While Alternatives 2 and 3 under Action 1 consider modifications to the northern and western boundaries of the Oculina Bank HAPC, respectively, they fall within the scope of the action which is to ''Expand Boundaries of the Oculina Bank HAPC.'' Further, NEPA does not require that the Purpose and Need include a reference to minimizing economic impacts. According to NEPA, biological, economic, social and administrative impacts of the proposed actions should be analyzed and considered. These analyses in Amendment 8 used the best scientific information available and are included in Chapter 4 of the amendment, and were considered by the Council. The Council's adoption of a recommendation by their Deepwater Shrimp Advisory Panel for modification of the northern extension of the Oculina Bank HAPC, reduced fishery impacts where traditional fishing activity occurs. NMFS has determined that Amendment 8 and its implementing final rule will be effective in increasing the protection of deepwater coral while minimizing, to the extent practicable, adverse socio-economic impacts, as required by National Standard 8 of the Magnuson-Stevens Act.

Comment 6: The actions in the proposed rule indicate the Council and NMFS may have a misunderstanding of how a shrimp trawl works. The type of trawl used to catch rock shrimp is not designed to work in hard rocky bottom.

Response: A description of the rock shrimp fishing practices, vessels involved, and gear used can be found in Section 3 of Amendment 8. It was discussed at the November 2012 Habitat Advisory Panel and the December 2012 Council meetings that rock shrimp fishermen do not trawl on coral or hard-bottom coral habitat, but instead target rock shrimp on their preferred soft-bottom habitat where coral is not present.

Comment 7: The minutes from the October 2012 Joint Deepwater Shrimp and Coral Advisory Panels meeting were lost. At that meeting, an agreement was made between a scientist, a member of Council staff, and the chair of the Deepwater Shrimp Advisory Panel to develop a new alternative for the northern Oculina Bank HAPC extension for consideration by the Council. Because the minutes from the meeting were lost, there is no documentation of this agreement. An alternative for the northern Oculina Bank HAPC extension alternative was later developed without the input of the Deepwater Shrimp Advisory Panel Chair. Several hours were spent at the October 2012 meeting demonstrating and educating the Coral Advisory Panel about rock shrimping, the equipment used, and the process involved. The Coral Advisory Panel agreed with the Deepwater Shrimp Advisory Panel that rock shrimp trawls were not harming coral or coral habitats.

Response: The Coral and Deepwater Shrimp Advisory Panels met in Cape Canaveral, Florida, on October 18, 2012, and the Chair of the Deepwater Shrimp Advisory Panel presented an overview of the rock shrimp fishery. The verbatim minutes of that joint meeting were partially compromised and are incomplete because the afternoon session of the joint advisory panel meeting was not recorded and transcribed, due to an inadvertent, technical error. A new alternative for the northern Oculina Bank HAPC extension, developed by a Council staff member and a scientist following the October 2012 Joint Coral and Deepwater Shrimp Advisory Panel Meeting, was brought to the Council at their December 2012 meeting, and the Council added this new alternative to Amendment 8 at that meeting. The Chair of the Deepwater Shrimp Advisory Panel also attended the December 2012 Council meeting, and he indicated that some slight adjustments to the new alternative might be needed. During its May 2013 meeting, the Deepwater Shrimp Advisory Panel discussed the new alternative, and made a recommendation to further modify the boundaries to reduce fishery impacts in the area where traditional fishing activity occurs. Recognizing that rock shrimpers do not trawl on coral or hard-bottom habitat, the Council, at its June 2013 meeting, adopted the Deepwater Shrimp Advisory Panel's recommendation for the modified northern Oculina Bank HAPC extension alternative, and chose that alternative as its preferred alternative.

Comment 8: The public was not properly notified that a new and significant revision to the proposed closed area under Action 1, Alternative 2 would be discussed and considered by the Habitat Advisory Panel during its November 2012 meeting. Failure to provide timely notice of this new matter on the agenda for the Habitat Advisory Panel meeting made it difficult for the Chair of the Deepwater Shrimp Advisory Panel and members of the Habitat Advisory Panel to assist in the collection and evaluation of information relevant to the development of the new alternative.

Response: The Habitat and Environmental Protection Advisory Panel Meeting was announced in the **Federal Register** on October 29, 2012 (77 FR 65536). The announcement stated ''Topics to be addressed at the meeting include: A member workshop on developing the South Atlantic Habitat and Ecosystem Atlas and Digital Dashboard, including the new online Ecospecies System; species research and habitat mapping associated with deepwater marine protected areas; deepwater habitat complexes associated with Coral Habitat Areas of Particular Concern (CHAPC) extension proposals; a review of a draft Memorandum of Understanding (MOU) between Atlantic Councils on deepwater coral ecosystem conservation; a review of other regional partner activities supporting the regional move to ecosystem-based management; and consideration of updates to essential fish habitat policy statements as needed.'' Specific alternatives for actions in amendments are not usually contained in agendas for Advisory Panel meetings in **Federal Register** notices. However, a discussion of the actions and alternatives in Amendment 8 fits within the scope of the agenda and topics announced for discussion at the Habitat Advisory Panel meeting. Thus, the public was properly notified about the Habitat Advisory Panel Meeting in accordance with section 302(i)(2)(C) of the Magnuson-Stevens Act, and an additional **Federal Register** notice was not necessary.

Comment 9: Amendment 8 is not consistent with section 3.2.7 of the Council's Statement of Organization, Practices, and Procedures (SOPPs) because the Deepwater Shrimp Advisory Panel Chairman was denied the opportunity to make a presentation

of the issues to be discussed at the November 2012 meeting of the Habitat Advisory Panel, including a new alternative for the northern Oculina Bank HAPC extension for consideration by the Council. This presentation could have been accommodated, at a minimum, during a public comment period during the advisory panel meeting.

Response: Section 3.2.7 of the Council's SOPPs states: ''Public testimony will be allowed at Council meetings on all agenda items before the Council for final action and at advisory panel (AP) and Scientific and Statistical Committee (SSC) meetings on all agenda items. If the agenda does not schedule a time for public testimony, the chairperson or presiding officer shall schedule testimony at an appropriate time during the meeting that is consistent with the orderly conduct of business.'' Although the Chair of the Deepwater Shrimp Advisory Panel was not provided the opportunity to make a presentation at the Habitat and Environmental Protection Advisory Panel Meeting, that Chair did provide public testimony on issues related to the northern extension of the Oculina Bank HAPC at the Habitat and Environmental Protection Advisory Panel Meeting in accordance with the Council's SOPPs, and with section 302(i)(2)(D) of the Magnuson-Stevens Act.

Comment 10: The SSC did not provide the Council any meaningful scientific advice on the social or economic impacts of the proposed management measures contained in Amendment 8. The SSC was not provided with timely or complete VMS data and other necessary data on the fishery and the proposed management measures.

Response: The SSC reviewed and discussed Amendment 8 at its April 2013 meeting. A report from that meeting states ''By consensus the Committee agreed that the proposed actions that modify the CHAPCs succeed in addressing the Purpose and Need of Amendment 8 and, therefore, actions in Amendment 8 are warranted to protect coral in these areas.''

Comment 11: The rock shrimp industry requested that a transit implementation plan be put in place before the proposed northern extension area of the Oculina Bank HAPC is effective, in order to test the transit provision. A serious safety issue will be created for shrimpers working offshore of a closed area that extends from Ft. Pierce to St. Augustine without the ability to transit the area.

Response: The Council and NMFS determined that the expansion of the Oculina Bank HAPC and the establishment of a transit provision needed to be implemented simultaneously. As a result, the final rule will establish a provision to allow fishing vessels with rock shrimp onboard to transit the Oculina Bank HAPC. The expansion of the Oculina Bank HAPC and the transit provision will be effective 30 days after the final rule publishes.

Comment 12: The Council did not consider any other methods to protect deepwater coral habitat in Amendment 8 except to expand the HAPCs.

Response: The Council has protected deepwater coral ecosystems through fishing gear restrictions in HAPCs. The Oculina Bank HAPC was implemented in 1984, and the Stetson-Miami Terrace Coral HAPC and the Cape Lookout Coral HAPC were included in the Coral HAPCs that were implemented in 2010. Within the existing HAPCs, the use of bottom longline, bottom trawl, dredge, pot, or trap, as well as the use of an anchor, anchor and chain, or grapple and chain is prohibited if on board a fishing vessel. Within the Coral HAPCs, the use of a mid-water trawl is also prohibited. Fishing for or possessing rock shrimp or *Oculina* coral is prohibited within the Oculina Bank HAPC (this rule will allow transit through the Oculina Bank HAPC for rock shrimp fishermen with rock shrimp onboard their vessel), and fishing for or possessing coral is prohibited on board a fishing vessel in the Coral HAPCs. Recent scientific explorations have identified areas of high relief features and hard bottom habitat outside the boundaries of the existing Oculina Bank HAPC and Coral HAPCs. Deepwater coral are extremely fragile and slow growing, and any method to protect deepwater coral must involve restrictions on gear that may impact coral. The Council recommended expansion of existing HAPCs to provide protection to the newly discovered areas of deepwater coral. Other options such as a prohibition to all fishing could have been considered; however, the Council determined that prohibiting the use of gear that may impact coral through the expansion of HAPCs was the most appropriate method for protecting deepwater coral, while minimizing, to the extent practicable, negative socio-economic impacts.

Comment 13: Research dives found only two instances of deepwater coral, yet Amendment 8 proposes to close 267 square miles of historical trawling grounds in the northern extension of Oculina Bank HAPC. The Oculina Bank HAPC should not be expanded westward as there is no *Oculina* coral in that area. The new information does not justify such a large closure. The Oculina Bank HAPC is sufficiently large to protect deepwater coral ecosystems.

Response: In October 2011, a presentation was provided to the Council's Coral Advisory Panel on two new areas of high-relief *Oculina* coral mounds and hard bottom habitats that had been discovered north and west of the current boundaries of the Oculina Bank HAPC. The locations of these sites were originally identified from NOAA regional bathymetric charts and later verified with multibeam sonar, a remotely operated vehicle (ROV) and submersible video surveys. The sonar maps and ROV dives confirmed that the high-relief features of the NOAA regional charts were high-relief *Oculina* coral mounds. Based on bathymetric charts, it is estimated that over 100 mounds exist in this area. Other observations include gentle slopes covered with coral rubble, standing dead coral, and sparse live *Oculina* coral colonies. Exposed hard bottom with 1 to 2 meter relief ledges was observed at the base of some mounds. Between the mounds and west of the main reef track, the substrate is mostly soft sediment but patchy rock pavement habitat and coral rubble are also present. Multibeam sonar maps made in 2002 and 2005 revealed numerous high-relief coral mounds and hard bottom habitat that are west of the western Oculina Bank HAPC boundary. A few of these mounds are comprised mostly of coral rubble, with live and standing dead *Oculina.* During its 2011 October meeting, the Coral Advisory Panel recommended the Council revisit the boundaries of the Oculina Bank HAPC, Stetson-Miami Terrace Coral HAPC, and the Cape Lookout Coral HAPC to incorporate these areas of additional deepwater coral habitat that were previously uncharacterized. The Council determined that, based on the information provided, extension of the HAPCs was appropriate. The NMFS Southeast Fisheries Science Center reviewed the amendment and certified that it was based on the best scientific information available. NMFS agrees with that determination.

Comment 14: It is not appropriate for anchors or drag nets to be used in the HAPCs but fishing with hook-and-line gear should be allowed, because research has shown hook-and-line fishing does not create any lasting damage to bottom habitat.

Response: Hook-and-line fishing without anchoring in the HAPCs will not be restricted by this amendment. The management measures contained in this final rule are intended to protect

deepwater coral ecosystems from gear than may impact coral. Within the existing HAPCs, the use of bottom longline, bottom trawl, dredge, pot, or trap, as well as the use of an anchor, anchor and chain, or grapple and chain if on board a fishing vessel is prohibited. The use of mid-water trawl gear is also prohibited in the Coral HAPCs. Fishing for or possessing rock shrimp or *Oculina* coral is also prohibited within the Oculina Bank HAPC (this rule will allow transit through the Oculina Bank HAPC for rock shrimp fishermen with rock shrimp onboard their vessel), and fishing for or possessing coral is prohibited on board a fishing vessel in the Coral HAPCs.

Comment 15: The coordinates (latitude and longitude) published in the proposed rule for the Oculina Bank HAPC extension do not match any of the figures in the amendment used to illustrate the boundaries. The Council has never seen a good illustration of the area where the rock shrimp vessels operate and the historical fishing grounds (indicated by VMS points) that are being eliminated.

Response: The coordinates in the amendment and the rule differ slightly in the way they are listed but do not differ functionally. In the amendment, the latitude and longitude in the figures are in degrees and decimal minutes, and were converted to degrees, minutes, and seconds in the proposed and final rules. This conversion was necessary to remain consistent with the coordinates contained in the regulations for the other CHAPCs. Also, in the amendment, the coordinates listed identify the expanded area rather than the entire Oculina Bank HAPC, while the proposed rule lists the coordinates for the entire Oculina Bank HAPC, including the new expanded area. Figures S–4 and S–6 in Amendment 8 illustrate the northern and western extensions of the Oculina Bank HAPC, and illustrate the VMS points showing fishing by rock shrimp vessels operating in that area. The Council had sufficient information to make its decision when they approved Amendment 8. NMFS will work with the Council to improve the illustrations in future amendments.

Comment 16: Instead of expanding the Oculina Bank HAPC, studies should be done on increased algae growth on the south end of the Oculina Bank.

Response: The purpose of Amendment 8 is to increase protections for deepwater coral based on new information of deepwater coral resources in the South Atlantic. Studies of algae growth in Oculina Bank are outside the scope of this amendment. There is currently no information on increased algae growth in Oculina Bank, however, that is an area for potential research in the future.

Comment 17: It appears that the rock shrimp are moving northward due to changes in climate. The northern expansion of Oculina Bank HAPC will cut off access to historical northern shrimping grounds and will not protect coral.

Response: There are likely many factors that may explain the variability in rock shrimp abundance and distribution, and climate change may be one of the factors. Expansion of the Oculina Bank HAPC may have adverse effects on some individual businesses associated with the rock shrimp industry, but is expected to enhance protection to deepwater corals. The northern expansion of Oculina Bank HAPC is based on recent scientific information, which indicates deepwater coral ecosystems occur in the area. This expansion is expected to reduce historical fishing in the area by about 5 percent based on VMS data from 2007–2012.

Comment 18: Expansion of the Oculina Bank HAPC, Stetson-Miami Terrace Coral HAPC, and Cape Lookout Coral HAPC could have implications for green energy development and exploration in the future.

Response: NMFS has determined that any effects of expansion of the Oculina Bank HAPC, and the Stetson-Miami Terrace or Cape Lookout Coral HAPCs on the development of green energy or exploration would be speculative. The Oculina Bank HAPC, Stetson-Miami Terrace Coral HAPC, and Cape Lookout Coral HAPC have been designated as essential fish habitat (EFH) HAPCs by the Council to warrant special protection. Designation as EFH or an EFH–HAPC would require that Federal agencies consult with the NMFS Habitat Conservation Division, if a Federal agency determines its activity or action may adversely affect EFH or the EFH–HAPC.

Comment 19: There have been many problems with Amendment 8. For example, NMFS published a correction notice in the **Federal Register** on July 1, 2014, noting an error found in the preamble text for the proposed rule and the notice of availability for the amendment, with regard to the actual size of the proposed expansion of the Oculina HAPC.

Response: As explained in the Supplementary Information above, NMFS published correction notices during the comment period for Amendment 8 and the proposed rule on July 1, 2014 (79 FR 37270 and 79 FR 37269), to correct an inadvertent error regarding the proposed increased size of the Oculina Bank HAPC. The proposed rule and notice of availability for the amendment stated ''the proposed rule would increase the size of the Oculina Bank HAPC by 405.42 square miles (1,050 square km), for a total area of 694.42 square miles (1,798.5 square km) . . .'' This was incorrect. The correction notices explained that the proposed rule would increase the size of the Oculina Bank HAPC by 343.42 square miles (889.5 square km), for a total area of 632.42 square miles (1,638 square km).

Comment 20: Amendment 8 is not consistent with section 303(b)(2)(C)(iii) of the Magnuson-Steven Act, which requires that for any closed area, NMFS must ensure a timetable is established for review of the closed area's performance, consistent with the purposes of the closed area.

Response: Section 303(b)(2)(C)(iii) of the Magnuson-Steven Act is applicable when a closure prohibits all fishing. Because Amendment 8 does not prohibit all fishing, the requirements of section 303(b)(2)(C)(iii) of the Magnuson-Steven Act are not applicable. Although there are fishing gear restrictions in the existing HAPCs and expanded HAPCs, fishing would continue to be allowed in the HAPCs with the appropriate gear.

Changes From the Proposed Rule

Since publication of the proposed rule, NMFS Office for Law Enforcement (OLE) published a final rule to specify requirements related to approved VMS units, which describes the requirements for vendors wishing to provide VMS units for domestic fisheries (70 FR 77399, December 24, 2014). NMFS has now determined that the discussion of the VMS requirements in the proposed rule preamble and economic analysis for Coral Amendment 8 was incorrect. The preamble in the proposed rule stated that the proposed transit provisions would require that some VMS units would need to be replaced or would be required to have software/hardware upgrades to allow transit through the Oculina Bank HAPC with rock shrimp on board. Estimates of the costs of these upgrades were provided in the proposed rule. However, NMFS has since determined that the VMS units currently operating in the fishery are capable of signaling at a rate of at least 1 ping per 5 minutes, as is required by Amendment 8 and this rule.

Therefore, no replacement units or upgrades will likely be necessary for fishing vessels with rock shrimp on board that choose to transit through the Oculina Bank HAPC. As a result, the only costs associated with this final rule

may be the increased communication charges if vessels choose to transit through the closed area with rock shrimp onboard. The maximum charge for any of the VMS units is $0.06 per ping, however, the total amount of increased communication charges per vessel cannot be determined because the total cost will depend on how often a vessel transits the Oculina Bank HAPC and the route the vessel chooses to take through the HAPC.

In addition, NMFS fixes a spelling mistake in this final rule. This rule changes the spelling of ''Lithotherm'' to ''Lithoherm'' in the name of the CHAPC ''Stetson Reefs, Savannah and East Florida Lithoherms, and Miami Terrace Deepwater Coral HAPC'' in 50 CFR 622.224(c)(1)(iii).

Classification

The Regional Administrator, Southeast Region, NMFS has determined that this final rule is necessary for the conservation and management of deepwater coral resources in the South Atlantic and is consistent with Amendment 8, the FMP, the Magnuson-Stevens Act, and other applicable law.

This final rule has been determined to be not significant for purposes of Executive Order 12866.

NMFS prepared a Final Regulatory Flexibility Analysis (FRFA) for this rule. The FRFA describes the economic impact this rule is expected to have on small entities. A description of the action, why it is being considered, and the legal basis for this action are contained at the beginning of this section in the preamble and in the **SUMMARY** section of the preamble. A copy of the full analysis is available from NMFS (see **ADDRESSES**). A summary of the analysis follows.

The purpose of this rule is to address recent discoveries of deepwater coral resources and protect deepwater coral ecosystems in the Council's jurisdiction from activities that could compromise their condition. The Magnuson-Stevens Act provides the statutory basis for this rule.

Comments on the proposed rule are addressed in the comments and responses section of this final rule and the changes to the final rule are discussed in the changes from the proposed rule section of this final rule. No changes were made to the rule in response to these comments.

This rule does not include any reporting or record-keeping requirements other than those associated with the VMS requirements discussed below.

This rule is expected to directly apply up to 700 vessels that commercially harvest snapper-grouper species and up to 104 vessels that commercially harvest rock shrimp in the affected areas of the exclusive economic zone (EEZ) in the South Atlantic. Among the vessels that harvest rock shrimp, an estimated 9 vessels also harvest royal red shrimp. Although potentially all vessels in the snapper-grouper commercial sector could potentially be affected, the number of vessels that actually fish in the affected areas is expected to be small, as evidenced by the minimal economic effects expected to occur as a result of this rule (described below). The average vessel involved in commercial snapper-grouper harvest is estimated to earn approximately $28,700 (2012 dollars) in annual gross revenue, and the average vessel permitted to harvest rock shrimp is estimated to earn approximately $20,500 (2012 dollars) in annual rock shrimp gross revenue. The average annual gross revenue for vessels that harvest both rock shrimp and royal red shrimp is estimated to be approximately $113,000 (2012 dollars). However, although there are an estimated 104 vessels permitted to harvest rock shrimp, the number of vessels that actually harvest rock shrimp in the South Atlantic is substantially less. Over the period 2009–2011, only 31, 19, and 18 vessels harvested rock shrimp in the South Atlantic in these years, respectively. Based on sample data from these vessels (10 vessels in 2009, 7 vessels in 2010, and 9 vessels in 2011), the average annual total revenue from all fishing activity during these years was approximately $334,000 (2012 dollars) in 2009, $725,000 in 2010, and $629,000 in 2011. More recent data are not available. NMFS has not identified any other small entities that would be expected to be directly affected by this rule.

The Small Business Administration (SBA) has established size criteria for all major industry sectors in the United States including seafood dealers and harvesters. A business involved in commercial finfish fishing is classified as a small business if it is independently owned and operated, is not dominant in its field of operation (including its affiliates), and has combined annual receipts not in excess of $20.5 million (NAICS code 114111, Finfish Fishing). The receipts threshold for a business involved in shrimp fishing is $5.5 million (NAICS code 114112, Shellfish Fishing). Because the average annual gross revenues for the commercial fishing operations expected to be directly affected by this rule are significantly less than the SBA revenue threshold, all these businesses are believed to be small business entities.

This rule contains four separate actions. The first action expands the boundaries of the Oculina Bank HAPC by 343.42 square miles (889.5 square km), for a total area of 632.42 square miles (1,638 square km). Expansion of the Oculina Bank HAPC is expected to affect vessels that harvest snapper-grouper, rock shrimp, and royal red shrimp because some fishermen have historically harvested these species in this area and will be prevented by the expansion from continuing to fish here. The expected maximum potential reduction in total gross revenue from snapper-grouper species as a result of the expansion of the Oculina Bank HAPC is approximately $56,000 (2012 dollars), or less than 0.3 percent of the total average annual revenue received by South Atlantic commercial fishing vessels from snapper-grouper species. The expected maximum potential reduction in revenue from snapper-grouper species is minimal, and fishermen may be able to absorb the reduction or adapt their fishing practices to the expansion of the Oculina Bank HAPC and increase their fishing effort, and harvest, in other locations to mitigate the impact of the reduction. Additionally, fishermen may benefit from spill-over effects (increased total harvest or more cost-efficient harvest) of the enhanced productivity of the protected Oculina Bank HAPC.

All vessels that harvest royal red shrimp are expected to also harvest rock shrimp. Royal red shrimp are not managed in a fishery management plan by the Council, therefore, neither logbooks nor VMS units are required to harvest royal red shrimp. As a result, NMFS cannot determine with available data what portion of the average annual royal red shrimp harvest may be affected by the expansion of the Oculina Bank HAPC. However, the primary effect of the expansion of the Oculina Bank HAPC is expected to be on the harvest of rock shrimp and not the harvest of royal red shrimp. This rule is expected to reduce the total revenue from rock shrimp for all potentially affected rock shrimp fishermen by a maximum of approximately $189,500 (2012 dollars).

Translating this expected reduction in total revenue to an average reduction per vessel is difficult because of the variability in participation in the fishery from year-to-year, as well as variability in revenue. As discussed above, significantly more vessels are permitted to harvest rock shrimp (104 vessels) than harvest rock shrimp (18–31 vessels,

2009–2011). Compared to the performance in each of the years 2009–2011, the expected annual total reduction in revenue from rock shrimp as a result of the Oculina Bank HAPC expansion would be approximately 1.8 percent of the total average annual gross revenue based on 2009 performance (reduction of approximately $6,100 per vessel compared to total average revenue of $334,000; 2012 dollars), 1.4 percent based on 2010 performance (reduction of approximately $10,000 per vessel compared to total average revenue of $725,000; 2012 dollars), and 1.7 percent based on 2011 performance (reduction of approximately $10,500 per vessel compared to total average revenue of $629,000; 2012 dollars). Overall, although the reduction in rock shrimp revenue as a result of the Oculina Bank HAPC expansion may be more than projected, rock shrimp accounted for only 27 percent, 22 percent, and 13 percent of total fishing revenue each year over the period 2009, 2010, and 2011 for vessels harvesting South Atlantic rock shrimp, respectively. Penaeid shrimp were the highest revenue species in each of these years. Thus, on average, although the revenue from rock shrimp comprises a substantial portion of total annual revenue, available data indicate that rock shrimp fishermen are more dependent on other species than rock shrimp. Although the revenue from royal red shrimp also may be affected, the economic effects of the proposed expansion of the Oculina Bank HAPC on vessels that harvest royal red shrimp are expected to be minor.

The second action establishes transit provisions through the Oculina Bank HAPC for a vessel with rock shrimp on board. This rule will allow transit through the Oculina Bank HAPC by a vessel with rock shrimp on board if the vessel maintains a direct and non-stop continuous course at a minimum speed of 5 knots (as determined by an operating VMS approved for the South Atlantic rock shrimp fishery and the VMS onboard the vessel registers a VMS ping (signal) rate of 1 ping per 5 minutes), and the vessel's gear is appropriately stowed (*i.e.,* doors and nets will be required to be out of water and onboard the deck or below the deck of the vessel). At the time of publication of the proposed rule, NMFS expected that this VMS ping rate, which is more frequent than that currently required, would result in increased costs for vessels choosing to transit. These costs would be associated with the purchase of new VMS units for vessels with units unable to ping at the higher rate (22 vessels), upgrade of units that could ping at the higher rate if upgraded (57 vessels), and increased communication costs (all vessels). These increased costs were estimated to range from approximately $2,795 to $3,595 for the purchase and installation of a new VMS unit and approximately $300 per vessel for VMS unit upgrades and associated shipping costs. Increased communication costs were not estimated because they would depend on the frequency of transit and, in some cases, would only increase if the resultant total number of pings exceeded a pre-paid threshold. The maximum communication charge that has been identified is $0.06 per ping and the number of pings per transit should be minimal if a vessel takes the most direct path through the Oculina Bank HAPC.

Subsequent to publication of the proposed rule, however, NMFS determined that all of the VMS units operated by the affected rock shrimp vessels are capable of communicating at the higher ping rate. As a result, no vessel that desires to transit through the Oculina Bank HAPC with rock shrimp on board will be required to purchase a new VMS unit or acquire an upgrade and the only change in costs will be an increase in communication costs. Despite this increase in communication costs, any increase will be voluntarily incurred because the rule will not require that vessels transit the Oculina Bank HAPC with rock shrimp on board. The net economic effect per entity of transiting is expected to be positive. Transit through the Oculina Bank HAPC is expected to reduce operating expenses by allowing a vessel to avoid time-consuming and costly travel around the area with rock shrimp onboard. Also, revenue may be increased if a reduction in travel time allows longer fishing. Overall, a fisherman will only choose to incur the increased VMS communication costs associated with transit if they conclude they will receive a net increase in economic benefits, regardless of the source of these benefits. As a result, this component of the rule is expected to have a direct positive economic effect on all affected small entities.

Combined, the expected effects of the expansion of the Oculina Bank HAPC and transit provisions for vessels with rock shrimp on board are expected to range from a minor short term reduction in the average annual gross revenue from rock shrimp to a net positive economic effect on the average rock shrimp vessel. Although the expansion of the Oculina Bank HAPC is expected to reduce rock shrimp revenue from this area, the transit provisions are expected to reduce operating costs and potentially increase rock shrimp revenue by allowing more time to harvest rock shrimp from other areas, where permitted.

The third action in this rule will expand the boundaries of the Stetson-Miami Terrace CHAPC by 490 square miles (1,269 square km), for a total area of 24,018 square miles (62,206 square km). Fishing for snapper-grouper species does not occur normally in this area and fishing for other finfish or golden crab will not be expected to be affected by the expansion of the Stetson-Miami Terrace CHAPC. This action will also establish a gear haul back/drift zone to accommodate the royal red shrimp fishery that occurs in this area. As a result, this component of the rule is not expected to reduce the revenue of any small entities.

The fourth action will expand the boundaries of the Cape Lookout CHAPC by 10 square miles (26 square km), for a total area of 326 square miles (844 square km). Similar to the expansion of the Stetson-Miami Terrace CHAPC, fishing for snapper-grouper species does not occur normally in this area and fishing for other finfish or golden crab is not expected to be affected because of the small size of the expansion and availability of nearby areas with similar fishable habitat for these species. As a result, this component of the rule is not expected to reduce the revenue of any small entities.

Among the actions in this rule, only the expansion of the Oculina Bank HAPC is expected to directly reduce the revenue of any small entities. Four alternatives, including the no action status quo alternative, were considered for the expansion of the Oculina Bank HAPC. Two of these alternatives are included in this rule. The no action alternative was not adopted because it would not have achieved the objective of increasing the protection of deepwater coral ecosystems in the Council's jurisdiction. The second alternative would have increased the area of expansion and, as a result, would result in a larger reduction in fishing revenue to directly affected small entities than this rule. Because the other actions considered in this rule (actions 2–4) would not be expected to result in any negative economic effects on any directly affected small entities, the issue of significant alternatives to reduce any significant negative effects is not relevant.

This final rule contains collection-of-information requirements subject to the Paperwork Reduction Act (PRA), which have been approved by the Office of

Management and Budget (OMB) under control number 0648–0205. Since 2003, NMFS has required VMS be installed and maintained on commercially permitted South Atlantic rock shrimp vessels. NMFS estimates the increased VMS ping (signal) rate that would be required would result in increased communication costs for vessels that choose to transit through the Oculina Bank HAPC with rock shrimp onboard. Currently, all vessels actively participating in the rock shrimp fishery have a VMS unit and NMFS has determined that all of those VMS units have the capability to ping at the higher rate. NMFS estimates the increased VMS communications costs for vessels in the rock shrimp fishery that choose to transit through the Oculina Bank HAPC with rock shrimp onboard would be a maximum known cost of $0.06 per ping; however, the total increased communications charges per vessel per year cannot be determined because these costs will depend on how often the vessel transits through the Oculina Bank HAPC. The increased communication costs will be offset by reduced travel costs associated with travel around the HAPC to get to and from the fishing grounds. Allowing transit should increase the amount of time on a trip available for fishing and save on fuel and other vessel maintenance costs. Therefore, there is zero net change in burden costs for this data collection.

These estimates of the public reporting burden include the time for reviewing instructions, gathering and maintaining the data needed, and completing and reviewing the collection-of-information.

Notwithstanding any other provision of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection-of-information subject to the requirements of the PRA, unless that collection-of-information displays a currently valid OMB control number.

Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 states that, for each rule or group of related rules for which an agency is required to prepare a FRFA, the agency shall publish one or more guides to assist small entities in complying with the rule, and shall designate such publications as small entity compliance guides. As part of the rulemaking process, NMFS prepared a fishery bulletin, which also serves as a small entity compliance guide. The fishery bulletin will be sent to all South Atlantic snapper-grouper and South Atlantic rock shrimp vessel permit holders.

List of Subjects in 50 CFR Part 622

Coral, CHAPC, Coral reefs, Fisheries, Fishing, Reporting and recordkeeping requirements, HAPC, Shrimp, South Atlantic.

Dated: July 14, 2015.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 622 is amended as follows:

PART 622—FISHERIES OF THE CARIBBEAN, GULF OF MEXICO, AND SOUTH ATLANTIC

■ 1. The authority citation for part 622 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.*

■ 2. In § 622.224, paragraphs (b)(1), (c)(1)(i), (c)(1)(iii), (c)(3)(i), (c)(3)(ii), (c)(3)(iii), and (c)(3)(iv) are revised to read as follows:

§ 622.224 Area closures to protect South Atlantic corals.

* * * * *

(b) *Oculina Bank*—(1) *HAPC.* The Oculina Bank HAPC is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	29°43′29.82″	80°14′55.27″
1	29°43′30″	80°15′48.24″
2	29°34′51.66″	80°15′00.78″
3	29°34′07.38″	80°15′51.66″
4	29°29′24.9″	80°15′15.78″
5	29°09′32.52″	80°12′17.22″
6	29°04′45.18″	80°10′12″
7	28°56′01.86″	80°07′53.64″
8	28°52′44.4″	80°07′53.04″
9	28°47′28.56″	80°07′07.44″
10	28°46′13.68″	80°07′15.9″
11	28°41′16.32″	80°05′58.74″
12	28°35′05.76″	80°05′14.28″
13	28°33′50.94″	80°05′24.6″
14	28°30′51.36″	80°04′23.94″
15	28°30′00″	80°03′57.3″
16	28°30′	80°03′
17	28°16′	80°03′
18	28°04′30″	80°01′10.08″
19	28°04′30″	80°00′
20	27°30′	80°00′
21	27°30′	79°54″—Point corresponding with intersection with the 100-fathom (183-m) contour, as shown on the latest edition of NOAA chart 11460
Note: Line between point 21 and point 22 follows the 100-fathom (183-m) contour, as shown on the latest edition of NOAA chart 11460		
22	28°30′00″	79°56′56″— Point corresponding with intersection with the 100-fathom (183-m) contour, as shown on the latest edition of NOAA chart 11460
23	28°30′00″	80°00′46.02″
24	28°46′00.84″	80°03′28.5″
25	28°48′37.14″	80°03′56.76″
26	28°53′18.36″	80°04′48.84″
27	29°11′19.62″	80°08′36.9″
28	29°17′33.96″	80°10′06.9″
29	29°23′35.34″	80°11′30.06″

Point	North lat.	West long.
30	29°30′15.72″	80°12′38.88″
31	29°35′55.86″	80°13′41.04″
Origin	29°43′29.82″	80°14′55.27″

(i) In the Oculina Bank HAPC, no person may:

(A) Use a bottom longline, bottom trawl, dredge, pot, or trap.

(B) If aboard a fishing vessel, anchor, use an anchor and chain, or use a grapple and chain.

(C) Fish for or possess rock shrimp in or from the Oculina Bank HAPC, except a shrimp vessel with a valid commercial vessel permit for rock shrimp that possesses rock shrimp may transit through the Oculina Bank HAPC if fishing gear is appropriately stowed. For the purpose of this paragraph, transit means a direct and non-stop continuous course through the area, maintaining a minimum speed of five knots as determined by an operating VMS and a VMS minimum ping rate of 1 ping per 5 minutes; fishing gear appropriately stowed means that doors and nets are out of the water and onboard the deck or below the deck of the vessel.

(ii) [Reserved]

* * * * *

(c) * * *

(1) * * *

(i) *Cape Lookout Lophelia Banks* is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	34°24′36.996″	75°45′10.998″
1	34°23′28.998″	75°43′58.002″
2	34°27′00″	75°41′45″
3	34°27′54″	75°42′45″
Origin	34°24′36.996″	75°45′10.998″

* * * * *

(iii) *Stetson Reefs, Savannah and East Florida Lithoherms, and Miami Terrace (Stetson-Miami Terrace)* is bounded by—

(A) Rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	at outer boundary of EEZ	79°00′00″
1	31°23′37″	79°00′00″
2	31°23′37″	77°16′21″
3	32°38′37″	77°16′21″
4	32°38′21″	77°34′06″
5	32°35′24″	77°37′54″
6	32°32′18″	77°40′26″
7	32°28′42″	77°44′10″
8	32°25′51″	77°47′43″
9	32°22′40″	77°52′05″
10	32°20′58″	77°56′29″
11	32°20′30″	77°57′50″
12	32°19′53″	78°00′49″
13	32°18′44″	78°04′35″
14	32°17′35″	78°07′48″
15	32°17′15″	78°10′41″
16	32°15′50″	78°14′09″
17	32°15′20″	78°15′25″
18	32°12′15″	78°16′37″
19	32°10′26″	78°18′09″
20	32°04′42″	78°21′27″
21	32°03′41″	78°24′07″
22	32°04′58″	78°29′19″
23	32°06′59″	78°30′48″
24	32°09′27″	78°31′31″
25	32°11′23″	78°32′47″
26	32°13′09″	78°34′04″
27	32°14′08″	78°34′36″
28	32°12′48″	78°36′34″
29	32°13′07″	78°39′07″
30	32°14′17″	78°40′01″
31	32°16′20″	78°40′18″
32	32°16′33″	78°42′32″
33	32°14′26″	78°43′23″
34	32°11′14″	78°45′42″
35	32°10′19″	78°49′08″
36	32°09′42″	78°52′54″
37	32°08′15″	78°56′11″
38	32°05′00″	79°00′30″
39	32°01′54″	79°02′49″
40	31°58′40″	79°04′51″
41	31°56′32″	79°06′48″
42	31°53′27″	79°09′18″
43	31°50′56″	79°11′29″
44	31°49′07″	79°13′35″
45	31°47′56″	79°16′08″
46	31°47′11″	79°16′30″
47	31°46′29″	79°16′25″
48	31°44′31″	79°17′24″
49	31°43′20″	79°18′27″
50	31°42′26″	79°20′41″
51	31°41′09″	79°22′26″
52	31°39′36″	79°23′59″
53	31°37′54″	79°25′29″
54	31°35′57″	79°27′14″
55	31°34′14″	79°28′24″
56	31°31′08″	79°29′59″
57	31°30′26″	79°29′52″
58	31°29′11″	79°30′11″
59	31°27′58″	79°31′41″
60	31°27′06″	79°32′08″
61	31°26′22″	79°32′48″
62	31°24′21″	79°33′51″
63	31°22′53″	79°34′41″
64	31°21′03″	79°36′01″
65	31°20′00″	79°37′12″
66	31°18′34″	79°38′15″
67	31°16′49″	79°38′36″
68	31°13′06″	79°38′19″
70	31°11′04″	79°38′39″
70	31°09′28″	79°39′09″
71	31°07′44″	79°40′21″
72	31°05′53″	79°41′27″
73	31°04′40″	79°42′09″
74	31°02′58″	79°42′28″
75	31°01′03″	79°42′40″
76	30°59′50″	79°42′43″
77	30°58′27″	79°42′43″
78	30°57′15″	79°42′50″
79	30°56′09″	79°43′28″
80	30°54′49″	79°44′53″
81	30°53′44″	79°46′24″
82	30°52′47″	79°47′40″
83	30°51′45″	79°48′16″
84	30°48′36″	79°49′02″
85	30°45′24″	79°49′55″
86	30°41′36″	79°51′31″
87	30°38′38″	79°52′23″
88	30°37′00″	79°52′37.2″
89	30°37′00″	80°05′00″
90	30°34′6.42″	80°05′54.96″
91	30°26′59.94″	80°07′41.22″
92	30°23′53.28″	80°08′8.58″
93	30°19′22.86″	80°09′22.56″
94	30°13′17.58″	80°11′15.24″
95	30°07′55.68″	80°12′19.62″
96	30°00′00″	80°13′00″
97	30°00′9″	80°09′30″
98	30°03′00″	80°09′30″
99	30°03′00″	80°06′00″
100	30°04′00″	80°02′45.6″
101	29°59′16″	80°04′11″
102	29°49′12″	80°05′44″
103	29°43′59″	80°06′24″
104	29°38′37″	80°06′53″
105	29°36′54″	80°07′18″
106	29°31′59″	80°07′32″
107	29°29′14″	80°07′18″
108	29°21′48″	80°05′01″
109	29°20′25″	80°04′29″
110	29°08′00″	79°59′43″
111	29°06′56″	79°59′07″
112	29°05′59″	79°58′44″
113	29°03′34″	79°57′37″
114	29°02′11″	79°56′59″
115	29°00′00″	79°55′32″
116	28°56′55″	79°54′22″
117	28°55′00″	79°53′31″
118	28°53′35″	79°52′51″
119	28°51′47″	79°52′07″
120	28°50′25″	79°51′27″
121	28°49′53″	79°51′20″
122	28°49′01″	79°51′20″
123	28°48′19″	79°51′10″
124	28°47′13″	79°50′59″
125	28°43′30″	79°50′36″
126	28°41′05″	79°50′04″
127	28°40′27″	79°50′07″
128	28°39′50″	79°49′56″
129	28°39′04″	79°49′58″
130	28°36′43″	79°49′35″
131	28°35′01″	79°49′24″
132	28°30′37″	79°48′35″
133	28°14′00″	79°46′20″
134	28°11′41″	79°46′12″
135	28°08′02″	79°45′45″
136	28°01′20″	79°45′20″
137	27°58′13″	79°44′51″
138	27°56′23″	79°44′53″
139	27°49′40″	79°44′25″
140	27°46′27″	79°44′22″
141	27°42′00″	79°44′33″
142	27°36′08″	79°44′58″
143	27°30′00″	79°45′29″

Point	North lat.	West long.
144	27°29′04″	79°45′47″
145	27°27′05″	79°45′54″
146	27°25′47″	79°45′57″
147	27°19′46″	79°45′14″
148	27°17′54″	79°45′12″
149	27°12′28″	79°45′00″
150	27°07′45″	79°46′07″
151	27°04′47″	79°46′29″
152	27°00′43″	79°46′39″
153	26°58′43″	79°46′28″
154	26°57′06″	79°46′32″
155	26°49′58″	79°46′54″
156	26°48′58″	79°46′56″
157	26°47′01″	79°47′09″
158	26°46′04″	79°47′09″
159	26°35′09″	79°48′01″
160	26°33′37″	79°48′21″
161	26°27′56″	79°49′09″
162	26°25′55″	79°49′30″
163	26°21′05″	79°50′03″
164	26°20′30″	79°50′20″
165	26°18′56″	79°50′17″
166	26°16′19″	79°54′06″
167	26°13′48″	79°54′48″
168	26°12′19″	79°55′37″
169	26°10′57″	79°57′05″
170	26°09′17″	79°58′45″
171	26°07′11″	80°00′22″
172	26°06′12″	80°00′33″
173	26°03′26″	80°01′02″
174	26°00′35″	80°01′13″
175	25°49′10″	80°00′38″
176	25°48′30″	80°00′23″
177	25°46′42″	79°59′14″
178	25°27′28″	80°02′26″
179	25°24′06″	80°01′44″
180	25°21′04″	80°01′27″
181	25°21′04″	at outer boundary of EEZ

(B) The outer boundary of the EEZ in a northerly direction from Point 181 to the Origin.

* * * * *

(3) * * *

(i) *Shrimp access area 1* is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	30°06′30″	80°02′2.4″
1	30°06′30″	80°05′39.6″
2	30°03′00″	80°09′30″
3	30°03′00″	80°06′00″
4	30°04′00″	80°02′45.6″
5	29°59′16″	80°04′11″
6	29°49′12″	80°05′44″
7	29°43′59″	80°06′24″
8	29°38′37″	80°06′53″
9	29°36′54″	80°07′18″
10	29°31′59″	80°07′32″
11	29°29′14″	80°07′18″
12	29°21′48″	80°05′01″
13	29°20′25″	80°04′29″
14	29°20′25″	80°03′11″
15	29°21′48″	80°03′52″
16	29°29′14″	80°06′08″
17	29°31′59″	80°06′23″
18	29°36′54″	80°06′00″
19	29°38′37″	80°05′43″
20	29°43′59″	80°05′14″
21	29°49′12″	80°04′35″
22	29°59′16″	80°03′01″
23	30°06′30″	80°00′53″
Origin	30°06′30″	80°02′2.4″

(ii) *Shrimp access area 2* is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	29°08′00″	79°59′43″
1	29°06′56″	79°59′07″
2	29°05′59″	79°58′44″
3	29°03′34″	79°57′37″
4	29°02′11″	79°56′59″
5	29°00′00″	79°55′32″
6	28°56′55″	79°54′22″
7	28°55′00″	79°53′31″
8	28°53′35″	79°52′51″
9	28°51′47″	79°52′07″
10	28°50′25″	79°51′27″
11	28°49′53″	79°51′20″
12	28°49′01″	79°51′20″
13	28°48′19″	79°51′10″
14	28°47′13″	79°50′59″
15	28°43′30″	79°50′36″
16	28°41′05″	79°50′04″
17	28°40′27″	79°50′07″
18	28°39′50″	79°49′56″
19	28°39′04″	79°49′58″
20	28°36′43″	79°49′35″
21	28°35′01″	79°49′24″
22	28°30′37″	79°48′35″
23	28°30′37″	79°47′27″
24	28°35′01″	79°48′16″
25	28°36′43″	79°48′27″
26	28°39′04″	79°48′50″
27	28°39′50″	79°48′48″
28	28°40′27″	79°48′58″
29	28°41′05″	79°48′56″
30	28°43′30″	79°49′28″
31	28°47′13″	79°49′51″
32	28°48′19″	79°50′01″
33	28°49′01″	79°50′13″
34	28°49′53″	79°50′12″
35	28°50′25″	79°50′17″
36	28°51′47″	79°50′58″
37	28°53′35″	79°51′43″
38	28°55′00″	79°52′22″
39	28°56′55″	79°53′14″
40	29°00′00″	79°54′24″
41	29°02′11″	79°55′50″
42	29°03′34″	79°56′29″
43	29°05′59″	79°57′35″
44	29°06′56″	79°57′59″
45	29°08′00″	79°58′34″
Origin	29°08′00″	79°59′43″

(iii) *Shrimp access area 3* is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	28°14′00″	79°46′20″
1	28°11′41″	79°46′12″
2	28°08′02″	79°45′45″
3	28°01′20″	79°45′20″
4	27°58′13″	79°44′51″
5	27°56′23″	79°44′53″
6	27°49′40″	79°44′25″
7	27°46′27″	79°44′22″
8	27°42′00″	79°44′33″
9	27°36′08″	79°44′58″
10	27°30′00″	79°45′29″
11	27°29′04″	79°45′47″
12	27°27′05″	79°45′54″
13	27°25′47″	79°45′57″
14	27°19′46″	79°45′14″
15	27°17′54″	79°45′12″
16	27°12′28″	79°45′00″
17	27°07′45″	79°46′07″
18	27°04′47″	79°46′29″
19	27°00′43″	79°46′39″
20	26°58′43″	79°46′28″
21	26°57′06″	79°46′32″
22	26°57′06″	79°44′52″
23	26°58′43″	79°44′47″
24	27°00′43″	79°44′58″
25	27°04′47″	79°44′48″
26	27°07′45″	79°44′26″
27	27°12′28″	79°43′19″
28	27°17′54″	79°43′31″
29	27°19′46″	79°43′33″
30	27°25′47″	79°44′15″
31	27°27′05″	79°44′12″
32	27°29′04″	79°44′06″
33	27°30′00″	79°43′48″
34	27°30′00″	79°44′22″
35	27°36′08″	79°43′50″
36	27°42′00″	79°43′25″
37	27°46′27″	79°43′14″
38	27°49′40″	79°43′17″
39	27°56′23″	79°43′45″
40	27°58′13″	79°43′43″
41	28°01′20″	79°44′11″
42	28°04′42″	79°44′25″
43	28°08′02″	79°44′37″
44	28°11′41″	79°45′04″
45	28°14′00″	79°45′12″
Origin	28°14′00″	79°46′20″

(iv) *Shrimp access area 4* is bounded by rhumb lines connecting, in order, the following points:

Point	North lat.	West long.
Origin	26°49′58″	79°46′54″
1	26°48′58″	79°46′56″
2	26°47′01″	79°47′09″
3	26°46′04″	79°47′09″
4	26°35′09″	79°48′01″
5	26°33′37″	79°48′21″
6	26°27′56″	79°49′09″
7	26°25′55″	79°49′30″
8	26°21′05″	79°50′03″
9	26°20′30″	79°50′20″
10	26°18′56″	79°50′17″
11	26°18′56″	79°48′37″
12	26°20′30″	79°48′40″
13	26°21′05″	79°48′08″
14	26°25′55″	79°47′49″
15	26°27′56″	79°47′29″
16	26°33′37″	79°46′40″
17	26°35′09″	79°46′20″
18	26°46′04″	79°45′28″
19	26°47′01″	79°45′28″
20	26°48′58″	79°45′15″
21	26°49′58″	79°45′13″
Origin	26°49′58″	79°46′54″

* * * * *

[FR Doc. 2015–17617 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register

Vol. 80, No. 137

Friday, July 17, 2015

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF ENERGY

10 CFR Part 429

[Docket No. EERE–2013–BT–NOC–0005]

Appliance Standards and Rulemaking Federal Advisory Committee: Notice of Open Meetings and Webinars

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice of open meetings and webinars.

SUMMARY: This notice announces a series of meetings of the Appliance Standards and Rulemaking Federal Advisory Committee (ASRAC). The Federal Advisory Committee Act requires that agencies publish notice of an advisory committee meeting in the **Federal Register**.

DATES: See **SUPPLEMENTARY INFORMATION** section for meeting dates.

ADDRESSES: Unless otherwise specified in the **SUPPLEMENTARY INFORMATION** section, the meetings will be held at the U.S. Department of Energy, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585. To register for the webinars and receive call-in information, see **SUPPLEMENTARY INFORMATION** section for more details.

FOR FURTHER INFORMATION CONTACT: John Cymbalsky, ASRAC Designated Federal Officer, U.S. Department of Energy (DOE), Office of Energy Efficiency and Renewable Energy, 950 L'Enfant Plaza SW., Washington, DC 20024. Email: *asrac@ee.doe.gov.*

SUPPLEMENTARY INFORMATION: The meetings will be held:

- July 30, 2015 (Webinar Only), 10:00 a.m. to 12:00 p.m. (EDT), *https://attendee.gotowebinar.com/register/8831742855231072001.*
- August 13, 2015 (Webinar Only), 2:00 p.m. to 4:00 p.m. (EDT), *https://attendee.gotowebinar.com/register/2047714330411380993.*
- September 24, 2015, 10:00 a.m. to 3:00 p.m., *https://attendee.gotowebinar.com/register/1929913754123106049.*

Members of the public are welcome to observe the business of the meeting and, if time allows, may make oral statements during the specified period for public comment. To attend the meeting and/or to make oral statements regarding any of the items on the agenda, email *asrac@ee.doe.gov.* In the email, please indicate your name, organization (if appropriate), citizenship, and contact information. Please note that foreign nationals participating in the public meeting are subject to advance security screening procedures which require advance notice prior to attendance at the public meeting. If a foreign national wishes to participate in the public meeting, please inform DOE as soon as possible by contacting Ms. Regina Washington at (202) 586–1214 or by email: *Regina.Washington@ee.doe.gov* so that the necessary procedures can be completed. Anyone attending the meeting will be required to present a government photo identification, such as a passport, driver's license, or government identification. Due to the required security screening upon entry, individuals attending should arrive early to allow for the extra time needed.

Due to the REAL ID Act implemented by the Department of Homeland Security (DHS) recent changes regarding ID requirements for individuals wishing to enter Federal buildings from specific states and U.S. territories. Driver's licenses from the following states or territory will not be accepted for building entry and one of the alternate forms of ID listed below will be required.

DHS has determined that regular driver's licenses (and ID cards) from the following jurisdictions are not acceptable for entry into DOE facilities: Alaska, Louisiana, New York, American Samoa, Maine, Oklahoma, Arizona, Massachusetts, Washington, and Minnesota.

Acceptable alternate forms of Photo-ID include: U.S. Passport or Passport Card; An Enhanced Driver's License or Enhanced ID-Card issued by the states of Minnesota, New York or Washington (Enhanced licenses issued by these states are clearly marked Enhanced or Enhanced Driver's License); A military ID or other Federal government issued Photo-ID card.

Docket: The docket is available for review at *www.regulations.gov,* including **Federal Register** notices, public meeting attendee lists and transcripts, comments, and other supporting documents/materials. All documents in the docket are listed in the *www.regulations.gov* index. However, not all documents listed in the index may be publicly available, such as information that is exempt from public disclosure.

Issued in Washington, DC, on July 14, 2015.

Kathleen B. Hogan,

Deputy Assistant Secretary for Energy Efficiency, Energy Efficiency and Renewable Energy.

[FR Doc. 2015–17642 Filed 7–16–15; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2015–1649; Airspace Docket No. 15–AGL–6]

Proposed Amendment of Class D Airspace and Revocation of Class E Airspace; Columbus, Ohio State University Airport, OH, and Amendment of Class E Airspace; Columbus, OH

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action proposes to amend Class D and Class E airspace and remove Class E airspace in the Columbus, OH, area. Decommissioning of the non-directional radio beacon (NDB) and/or cancellation of NDB approaches at Ohio State University Airport, Columbus, OH, has made this action necessary for the safety and management of Instrument Flight Rules (IFR) operations at the airport. Also, the geographic coordinates of the airport, as well as the Port Columbus International Airport, will be updated.

DATES: 0901 UTC. Comments must be received on or before August 31, 2015.

ADDRESSES: Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, 1200 New Jersey Avenue SE., West Building

Ground Floor, Room W12–140, Washington, DC. 20590–0001. You must identify the docket number FAA–2015–1649/Airspace Docket No. 15–AGL–6, at the beginning of your comments. You may also submit comments through the Internet at *http://www.regulations.gov.* You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays. The Docket Office (telephone 1–800–647–5527), is on the ground floor of the building at the above address.

FAA Order 7400.9Y, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *http://www.faa.gov/air_traffic/publications/.* The Order is also available for inspection at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to *http://www.archives.gov/federal_register/code_of_federal-regulations/ibr_locations.html.*

FAA Order 7400.9, Airspace Designations and Reporting Points, is published yearly and effective on September 15. For further information, you can contact the Airspace Policy and Regulations Group, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC, 20591; telephone: 202–267–8783.

FOR FURTHER INFORMATION CONTACT: Roger Waite, Central Service Center, Operations Support Group, Federal Aviation Administration, Southwest Region, 2601 Meacham Blvd., Fort Worth, TX 76137; telephone: (817) 321–7652.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the U.S. Code. Subtitle 1, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it would amend controlled airspace at Ohio State University Airport, Columbus, OH.

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments, as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify both docket numbers and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. FAA–2015–1649/Airspace Docket No. 15–AGL–6.'' The postcard will be date/time stamped and returned to the commenter.

Availability of NPRMs

An electronic copy of this document may be downloaded through the Internet at *http://www.regulations.gov.* Recently published rulemaking documents can also be accessed through the FAA's Web page at *http://www.faa.gov/airports_airtraffic/air_traffic/publications/airspace_amendments/.*

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Office (see **ADDRESSES** section for address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the office of the Central Service Center, 2601 Meacham Blvd., Fort Worth, TX 76137.

Persons interested in being placed on a mailing list for future NPRMs should contact the FAA's Office of Rulemaking (202) 267–9677, to request a copy of Advisory Circular No. 11–2A, Notice of Proposed Rulemaking Distribution System, which describes the application procedure.

Availability and Summary of Documents Proposed for Incorporation by Reference

This document proposes to amend FAA Order 7400.9Y, Airspace Designations and Reporting Points, dated August 6, 2014, and effective September 15, 2014. FAA Order 7400.9Y is publicly available as listed in the **ADDRESSES** section of this proposed rule. FAA Order 7400.9Y lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Proposal

This action proposes to amend Title 14, Code of Federal Regulations (14 CFR), Part 71 by modifying Class D and E airspace in the Columbus, OH, area. Decommissioning of the Dan Scott NDB navigation aid and cancellation of the NDB approach at Ohio State University Airport has made this action necessary. Class E airspace designated as an extension to Class D would be removed as it is no longer required. Class E airspace extending upward from 700 feet above the surface at Port Columbus International Airport would be reconfigured due to the Dan Scott NDB decommissioning. The geographic coordinates of Ohio State University Airport and Port Columbus International Airport would be updated to coincide with the FAAs aeronautical database.

Class D and E airspace designations are published in Paragraphs 5000, 6004, and 6005, respectively, of FAA Order 7400.9Y, dated August 6, 2014, and effective September 15, 2014, which is incorporated by reference in 14 CFR 71.1. The Class D and E airspace designations listed in this document will be published subsequently in the Order.

Regulatory Notices and Analyses

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1E, ''Environmental Impacts: Policies and Procedures'' prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (Air)

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40113, 40120, E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.9Y, Airspace Designations and Reporting Points, dated August 6, 2014, and effective September 15, 2014, is amended as follows:

Paragraph 5000 Class D Airspace.

* * * * *

AGL OH D Columbus, Ohio State University Airport, OH [Amended]

Columbus, Ohio State University Airport, OH
(Lat. 40°04′47″ N., long. 83°04′23″ W.)

That airspace extending upward from the surface to and including 3,400 feet MSL within a 4-mile radius of Ohio State University Airport, excluding that airspace within the Port Columbus International Airport, OH, Class C airspace area. This Class D airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective dates and times will thereafter be continuously published in the Airport/Facility Directory.

Paragraph 6004 Class E Airspace Areas Designated As A Surface Area.

* * * * *

AGL OH E4 Columbus, Ohio State University Airport, OH [Removed]

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

AGL OH E5 Columbus, OH [Amended]

Columbus, Port Columbus International Airport, OH
(Lat. 39°59′49″ N., long. 82°53′32″ W.)
Columbus, Rickenbacker International Airport, OH
(Lat. 39°48′50″ N., long. 82°55′40″ W.)
Columbus, Ohio State University Airport, OH
(Lat. 40°04′47″ N., long. 83°04′23″ W.)
Columbus, Bolton Field Airport, OH
(Lat. 39°54′04″ N., long. 83°08′13″ W.)
Columbus, Darby Dan Airport, OH
(Lat. 39°56′31″ N., long. 83°12′18″ W.)
Lancaster, Fairfield County Airport, OH
(Lat. 39°45′20″ N., long. 82°39′26″ W.)

That airspace extending upward from 700 feet above the surface within a 7-mile radius of Port Columbus International Airport, and within 3.3 miles either side of the 094° bearing from Port Columbus International Airport extending from the 7-mile radius to 12.1 miles east of the airport, and within a 7-mile radius of Rickenbacker International Airport, and within 4 miles either side of the 045° bearing from Rickenbacker International Airport extending from the 7-mile radius to 12.5 miles northeast of the airport, and within a 6.5-mile radius of Ohio State University Airport, and within a 7.4-mile radius of Bolton Field Airport, and within a 6.4-mile radius of Fairfield County Airport, and within a 6.5-mile radius of Darby Dan Airport, excluding that airspace within the London, OH, Class E airspace area.

Issued in Fort Worth, TX, on July 7, 2015.

Robert W. Beck,

Manager, Operations Support Group, ATO Central Service Center.

[FR Doc. 2015–17487 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2015–0842; Airspace Docket No. 15–ACE–2]

Proposed Amendment of Class E Airspace for the following Missouri towns: Chillicothe, MO; Cuba, MO; Farmington, MO; Lamar, MO; Mountain View, MO; Nevada, MO; and Poplar Bluff, MO

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action proposes to amend Class E airspace at Chillicothe Municipal Airport, Chillicothe, MO; Cuba Municipal Airport, Cuba, MO; Farmington Regional Airport, Farmington, MO; Lamar Municipal Airport, Lamar, MO; Mountain View Airport, Mountain View, MO; Nevada Municipal Airport, Nevada, MO; and Poplar Bluff Municipal Airport, Poplar Bluff, MO. Decommissioning of the non-directional radio beacons (NDB) and/or cancellation of NDB approaches due to advances in Global Positioning System (GPS) capabilities has made this action necessary for the safety and management of Instrument Flight Rules (IFR) operations at the above airports. Geographic coordinates are also adjusted at Lamar Municipal Airport, Lamar, MO; and Nevada Municipal Airport, Nevada, MO.

DATES: 0901 UTC. Comments must be received on or before August 31, 2015.

ADDRESSES: Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC. 20590–0001. You must identify the docket number FAA–2015–0842/Airspace Docket No. 15–ACE–2, at the beginning of your comments. You may also submit comments through the Internet at *http://www.regulations.gov.* You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays. The Docket Office (telephone 1–800–647–5527), is on the ground floor of the building at the above address.

FAA Order 7400.9Y, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *http://www.faa.gov/air_traffic/publications/.* The Order is also available for inspection at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to *http://www.archives.gov/federal_register/code_of_federal-regulations/ibr_locations.html.*

FAA Order 7400.9, Airspace Designations and Reporting Points, is published yearly and effective on September 15. For further information, you can contact the Airspace Policy and Regulations Group, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC, 20591; telephone: 202–267–8783.

FOR FURTHER INFORMATION CONTACT: Roger Waite, Central Service Center, Operations Support Group, Federal Aviation Administration, Southwest Region, 2601 Meacham Blvd., Fort Worth, TX 76137; telephone: (817) 321–7652.

SUPPLEMENTARY INFORMATION:

Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the U.S. Code. Subtitle 1, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of airspace necessary to ensure the

safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it would amend controlled airspace at the Missouri airports listed in this NPRM.

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments, as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal. Communications should identify both docket numbers and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket No. FAA–2015–0842/Airspace Docket No. 15–ACE–2.'' The postcard will be date/time stamped and returned to the commenter.

Availability of NPRMs

An electronic copy of this document may be downloaded through the Internet at *http://www.regulations.gov.* Recently published rulemaking documents can also be accessed through the FAA's Web page at *http://www.faa.gov/airports_airtraffic/air_traffic/publications/airspace_amendments/.*

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Office (see **ADDRESSES** section for address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays. An informal docket may also be examined during normal business hours at the office of the Central Service Center, 2601 Meacham Blvd., Fort Worth, TX 76137.

Persons interested in being placed on a mailing list for future NPRMs should contact the FAA's Office of Rulemaking (202) 267–9677, to request a copy of Advisory Circular No. 11–2A, Notice of Proposed Rulemaking Distribution System, which describes the application procedure.

Availability and Summary of Documents Proposed for Incorporation by Reference

This document proposes to amend FAA Order 7400.9Y, Airspace Designations and Reporting Points, dated August 6, 2014, and effective September 15, 2014. FAA Order 7400.9Y is publicly available as listed in the **ADDRESSES** section of this proposed rule. FAA Order 7400.9Y lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Proposal

This action proposes to amend Title 14, Code of Federal Regulations (14 CFR), Part 71 by modifying Class E airspace extending upward from 700 feet above the surface for standard instrument approach procedures (SIAP) at Chillicothe Municipal Airport, Chillicothe, MO; Cuba Municipal Airport, Cuba, MO; Farmington Regional Airport, Farmington, MO; Lamar Municipal Airport, Lamar, MO; Mountain View Airport, Mountain View, MO; Nevada Municipal Airport, Nevada, MO; and Poplar Bluff Municipal Airport, Poplar Bluff, MO. Also, Class E airspace extending upward from the surface would be amended at Farmington Regional Airport, Farmington, MO. Airspace reconfiguration is necessary due to the decommissioning of NDBs and/or cancellation of the NDB approach at each airport. Controlled airspace is necessary for the safety and management of IFR operations for SIAPs at the airports. Geographic coordinates also would be adjusted for Lamar Municipal Airport, Lamar, MO; Nevada Municipal Airport, Nevada, MO; and Poplar Bluff Municipal Airport, Poplar Bluff, MO, to coincide with the FAAs aeronautical database.

Class E airspace areas are published in Paragraph 6005 of FAA Order 7400.9Y, dated August 6, 2014, and effective September 15, 2014, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in the Order.

Regulatory Notices and Analyses

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1E, ''Environmental Impacts: Policies and Procedures'' prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (Air)

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of FAA Order 7400.9Y, Airspace Designations and Reporting Points, dated August 6, 2014, and effective September 15, 2014, is amended as follows:

Paragraph 6002 Class E Airspace Designated as Surface Areas

* * * * *

ACE MO E2 Farmington, MO [Amended]

Farmington Regional Airport, MO
(Lat. 37°45′40″ N., long. 90°25′43″ W.)

Within a 3.9-mile radius of Farmington Regional Airport and within 1.7 miles each side of the 202° bearing from the airport extending from the 3.9-mile radius to 4 miles south of the airport.

Paragraph 6005 Class E Airspace areas extending upward from 700 feet or more above the surface of the earth.

* * * * *

ACE MO E5 Chillicothe, MO [Amended]

Chillicothe Municipal Airport, MO
(Lat. 39°46′56″ N., long. 93°29′44″ W.)

That airspace extending upward from 700 feet above the surface within a 6.9-mile radius of Chillicothe Municipal Airport.

* * * * *

ACE MO E5 Cuba, MO [Amended]

Cuba Municipal Airport, MO
(Lat. 38°04′08″ N., long. 91°25′44″ W.)

That airspace extending upward from 700 feet above the surface within a 6.3-mile radius of the Cuba Municipal Airport.

* * * * *

ACE MO E5 Farmington, MO [Amended]

Farmington Regional Airport, MO
(Lat. 37°45′40″ N., long. 90°25′43″ W.)
Farmington VORTAC
(Lat. 37°40′24″ N., long. 90°14′03″ W.)

That airspace extending upward from 700 feet above the surface within a 6.4-mile radius of Farmington Regional Airport, and within 4 miles each side of the 204° bearing from the airport extending from the 6.4-mile radius to 11.5 miles southwest of the airport, and within 1.3 miles each side of the Farmington VORTAC 300° radial extending from the 6.4-mile radius of the airport to the VORTAC.

* * * * *

ACE MO E5 Lamar, MO [Amended]

Lamar Municipal Airport, MO
(Lat. 37°29′10″ N., long. 94°18′43″W.)

That airspace extending upward from 700 feet above the surface within a 6.3-mile radius of Lamar Municipal Airport.

* * * * *

ACE MO E5 Mountain View, MO [Amended]

Mountain View Airport, MO
(Lat. 36°59′34″ N., long. 91°42′52″ W.)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Mountain View Airport.

* * * * *

ACE MO E5 Nevada, MO [Amended]

Nevada Municipal Airport, MO
(Lat. 37°51′09″ N., long. 94°18′17″ W.)

That airspace extending upward from 700 feet above the surface within a 6.6-mile radius of Nevada Municipal Airport.

* * * * *

ACE MO E5 Poplar Bluff, MO [Amended]

Poplar Bluff Municipal Airport, MO
(Lat. 36°46′26″ N., long. 90°19′30″ W.)

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Poplar Bluff Municipal Airport.

Issued in Fort Worth, TX, on July 7, 2015

Robert W. Beck

Manager, Operations Support Group, ATO Central Service Center.

[FR Doc. 2015–17501 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–13–P

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1251

[Docket No. CPSC–2011–0081]

Toys: Determination Regarding Heavy Elements Limits for Unfinished and Untreated Wood

AGENCY: U.S. Consumer Product Safety Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Consumer Product Safety Commission (''Commission'' or ''CPSC'') is proposing to determine that unfinished and untreated trunk wood does not contain heavy elements that would exceed the limits specified in the Commission's toy standard, ASTM F963–11. Based on this proposed determination, unfinished and untreated trunk wood in toys would not require third party testing. In the ''Rules and Regulations'' section of this **Federal Register,** the Commission is issuing this determination as a direct final rule. If we receive no significant adverse comment in response to the direct final rule, we will not take further action on this proposed rule.

DATES: Submit comments by August 17, 2015.

ADDRESSES: You may submit comments, identified by Docket No. CPSC–2011–0081, by any of the following methods:

Electronic Submissions: Submit electronic comments to the Federal eRulemaking Portal at: *www.regulations.gov.* Follow the instructions for submitting comments. The Commission does not accept comments submitted by electronic mail (email), except through *www.regulations.gov.* The Commission encourages you to submit electronic comments by using the Federal eRulemaking Portal, as described above.

Written Submissions: Submit written submissions by mail/hand delivery/courier to: Office of the Secretary, Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814; telephone (301) 504–7923.

Instructions: All submissions received must include the agency name and docket number for this notice. All comments received may be posted without change, including any personal identifiers, contact information, or other personal information provided, to: *www.regulations.gov.* Do not submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. If furnished at all, such information should be submitted in writing.

Docket: For access to the docket to read background documents or comments received, go to: *www.regulations.gov,* and insert the docket number CPSC–2011–0081, into the ''Search'' box, and follow the prompts.

FOR FURTHER INFORMATION CONTACT: Randy Butturini, Project Manager, Office of Hazard Identification and Reduction U.S. Consumer Product Safety Commission, 4330 East West Hwy, Room 814, Bethesda, MD 20814; 301–504–7562: email; *rbutturini@cpsc.gov.*

SUPPLEMENTARY INFORMATION: Along with this proposed rule, CPSC is publishing a direct final rule in the ''Rules and Regulations'' section of this issue of the **Federal Register.** This direct final rule establishes a determination that unfinished and untreated trunk wood does not contain heavy elements that would exceed the heavy elements limits specified in the Commission's mandatory toy standard, ASTM F963–11. Based on this determination, unfinished and untreated trunk wood in toys does not require third party testing. CPSC did not issue a proposed rule before today because CPSC believes that this action is not controversial and CPSC does not expect significant adverse comment. CPSC has explained the reasons for the determination in the direct final rule. Unless CPSC receives significant adverse comment regarding the determination during the comment period, the direct final rule in this issue of the **Federal Register** will become effective September 15, 2015, and CPSC will not take further action on this proposal. If CPSC receives a significant adverse comment, CPSC will publish a document in the **Federal Register** withdrawing the direct final rule, and the rule will not take effect. CPSC will then respond to public comments in a later final rule, based on this proposed rule. CPSC does not intend to institute a second comment period on this action. Parties interested in commenting on this determination must do so at this time. For additional information, please see the direct final rule published in the ''Rules and Regulations'' section of this issue of the **Federal Register**.

Dated: July 13, 2015.

Todd A. Stevenson,

Secretary, Consumer Product Safety Commission.

[FR Doc. 2015–17414 Filed 7–16–15; 8:45 am]

BILLING CODE 6355–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–135524–14]

RIN 1545–BM63

Property Transferred in Connection With the Performance of Services

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations relating to property transferred in connection with the performance of services. These proposed regulations affect certain taxpayers who receive property transferred in connection with the performance of services and make an election to include the value of substantially nonvested property in income in the year of transfer.

DATES: Comments must be received by October 15, 2015.

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–135524–14), room 5205, Internal Revenue Service, PO Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–135524–14), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC, or sent electronically via the Federal eRulemaking Portal at *http://www.regulations.gov/* (IRS REG–135524–14).

FOR FURTHER INFORMATION CONTACT: Concerning these proposed regulations, Thomas Scholz or Michael Hughes at (202) 317–5600 (not a toll-free number); concerning submissions of comments, and/or to request a hearing, Regina Johnson, at (202) 317–6901 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

Section 83(a) of the Internal Revenue Code (Code) provides generally that if, in connection with the performance of services, property is transferred to any person other than the person for whom such services are performed, the excess of the fair market value of the property (determined without regard to any restriction other than a restriction which by its terms will never lapse) as of the first time that the transferee's rights in the property are transferable or are not subject to a substantial risk of forfeiture, whichever occurs earlier, over the amount (if any) paid for the property is included in the service provider's gross income for the taxable year which includes such time. Section 83(b) and § 1.83–2(a) permit the service provider to elect to include in gross income, as compensation for services, the excess (if any) of the fair market value of the property at the time of transfer over the amount (if any) paid for the property.

Under section 83(b)(2), an election made under section 83(b) must be made in accordance with the regulations thereunder and must be filed with the IRS no later than 30 days after the date on which the property is transferred to the service provider. Under § 1.83–2(c), an election under section 83(b) is made by filing a copy of a written statement with the IRS office with which the person who performed the services files his or her return. In addition, the person who performed the services is required to submit a copy of such statement with his or her income tax return for the taxable year in which such property was transferred. Section 1.83–2(d) requires that the person who performed the services also submit a copy of the section 83(b) election to the person for whom the services were performed.

In recent years, it has come to the attention of the IRS that many taxpayers who wish to electronically file (e-file) their annual income tax return have been unable to do so because of the requirement in § 1.83–2(c) that they submit a copy of their section 83(b) election with their income tax return. Commercial software available for e-filing income tax returns does not consistently provide a mechanism for submitting a section 83(b) election with an individual's e-filed return. As a result, an individual who has made a section 83(b) election may be unable to e-file his or her return and at the same time comply with the requirement in § 1.83–2(c) that a copy of the section 83(b) election be submitted with the return. An individual who made a section 83(b) election would be required to paper file his or her income tax return to comply with the requirements under § 1.83–2(c).

Since the introduction of the e-file program, the IRS has encouraged taxpayers to file returns electronically. The e-file program reduces the amount of paper the government must process, and this reduction of paper processing allows the IRS to be more efficient and use valuable resources to address other critical work.

In order to remove this obstacle to e-filing an individual tax return, the proposed regulations would eliminate the requirement under § 1.83–2(c) that a copy of the section 83(b) election be submitted with an individual's tax return for the year the property is transferred. As described in this preamble, section 83(b)(2) requires that an election made under section 83(b) be filed with the IRS no later than 30 days after the date that the property is transferred to the service provider. This statutory requirement provides the IRS with the original section 83(b) election. Section 83(b) elections are scanned by the service center receiving the election, and an electronic copy of the election is generated. The creation of this electronic copy of the section 83(b) election eliminates the need for a taxpayer to submit a copy of the section 83(b) election with his or her individual tax return.

Taxpayers are reminded of their general recordkeeping responsibilities pursuant to section 6001 of the Code, and more specifically of the need to keep records that show the basis of property owned by the taxpayer. Taxpayers must maintain sufficient records to show the original cost of the property and to support the tax treatment of the property transfer reported on the taxpayers' returns. Taxpayers must keep these records as long as they may be needed for the administration of any provision of the Code. Generally, this means records that support items shown on a return must be retained until the period of limitations for that return expires. See section 6501 of the Code. A copy of any section 83(b) election made with respect to property must be kept until the period of limitations expires for the return that reports the sale or other disposition of the property.

Explanation of Provisions

The proposed regulations would remove the second sentence in § 1.83–2(c) of the existing regulations. This would eliminate the requirement that taxpayers submit a copy of a section 83(b) election with their tax return for the year in which the property subject to the election was transferred.

Proposed Effective Date

These regulations under section 83 are proposed to apply as of January 1, 2016, and would apply to property transferred on or after that date. Taxpayers may rely on these proposed regulations for property transferred on or after January 1, 2015.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section

553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, these regulations have been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.

Comments and Request for Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any comments that are timely submitted to the IRS as prescribed in this preamble under the **ADDRESSES** heading. The Treasury Department and the IRS request comments on all aspects of the proposed rules. All comments will be available at *www.regulations.gov* or upon request. A public hearing will be scheduled if requested in writing by any person that timely submits written or electronic comments. If a public hearing is scheduled, notice of the date, time, and place for the hearing will be published in the **Federal Register**.

Drafting Information

The principal authors of these proposed regulations are Thomas Scholz and Michael Hughes, Office of the Associate Chief Counsel (Tax Exempt and Government Entities). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

PART 1—INCOME TAXES

■ Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

■ Par. 2. Section 1.83–2 is amended by revising paragraph (c) and adding paragraph (g) to read as follows:

§ 1.83–2 Election to include in gross income in year of transfer.

* * * * *

(c) *Manner of making election.* The election referred to in paragraph (a) of this section is made by filing one copy of a written statement with the internal revenue office with which the person who performed the services files his return.

* * * * *

(g) *Effective/applicability date.* Paragraph (c) of this section applies to property transferred on or after January 1, 2016.

John M. Dalrymple,

Deputy Commissioner for Services and Enforcement.

[FR Doc. 2015–17530 Filed 7–16–15; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2015–0004]

RIN 1625–AA11

Regulated Navigation Area; Middle Waterway Superfund Cleanup Site, Commencement Bay; Tacoma, WA

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to establish a regulated navigation area (RNA) on the Middle Waterway in Tacoma, Washington. The RNA will protect the sediment cap areas in the U.S. Environmental Protection Agency (EPA)'s Commencement Bay Nearshore/Tideflats (CB–NT) Superfund Cleanup Site in the Middle Waterway Problem Area. This regulated navigation area would prohibit activities that could disrupt the integrity of the engineered sediment caps that have been placed within the Middle Waterway Problem Area. These activities include vessel grounding, anchoring, dragging, trawling, spudding or other such activities that would disturb the integrity of the sediment caps. It will not affect transit or navigation of this area or the existing industrial activities occurring in this area.

DATES: Comments and related material must be received by the Coast Guard on or before October 15, 2015. Requests for public meetings must be received by the Coast Guard on or before August 17, 2015.

ADDRESSES: You may submit comments identified by docket number using any one of the following methods:

(1) Federal eRulemaking Portal: *http://www.regulations.gov*.

(2) Fax: 202–493–2251.

(3) Mail or Delivery: Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001. Deliveries accepted between 9 a.m. and 5 p.m., Monday through Friday, except federal holidays. The telephone number is 202–366–9329.

See the ''Public Participation and Request for Comments'' portion of the **SUPPLEMENTARY INFORMATION** section below for further instructions on submitting comments. To avoid duplication, please use only one of these three methods.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule, call or email LTJG Johnny Zeng, Waterways Management Division, Sector Puget Sound, U.S. Coast Guard; telephone (206) 217–6175, email *SectorPugetSoundWWM@uscg.mil*. If you have questions on viewing or submitting material to the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

Table of Acronyms

DHS Department of Homeland Security
FR Federal Register
NPRM Notice of Proposed Rulemaking

A. Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided.

1. Submitting comments

If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online at *http://www.regulations.gov,* or by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the Docket Management Facility. We recommend that you include your name and a mailing address, an email address, or a telephone number in the body of your document so that we can contact you if

we have questions regarding your submission.

To submit your comment online, go to *http://www.regulations.gov,* type the docket number [USCG–2015–0004] in the ''SEARCH'' box and click ''SEARCH.'' Click on ''Submit a Comment'' on the line associated with this rulemaking.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and may change the rule based on your comments.

2. Viewing comments and documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to *http://www.regulations.gov,* type the docket number (USCG–2015–0004) in the ''SEARCH'' box and click ''SEARCH.'' Click on Open Docket Folder on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

3. Privacy Act

Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

4. Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for one, using one of the methods specified under **ADDRESSES**. Please explain why you believe a public meeting would be beneficial. If we determine that one would aid this rulemaking, we will hold one at a time and place announced by a later notice in the **Federal Register**.

B. Regulatory History and Information

The Coast Guard received notice from the U.S. EPA requesting the establishment of a Regulated Navigation Area (RNA) for the Middle Waterway Problem Area of the CB–NT Superfund Cleanup Site in Tacoma, Washington. This request was received as a result of the need to protect the engineered sediment caps in the Middle Waterway from activities that could disrupt the integrity of the caps within the CB–NT Superfund Cleanup Site.

The CB–NT was added to the U.S. EPA's National Priorities List (Superfund) in September 1983 because of hazardous substance contamination in the sediment. The EPA selected the Middle Waterway Problem Area for remedial action, and subsequently cleanup activities were conducted pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

Remediation activities identified for the Middle Waterway included dredging, placement of enhanced natural recovery material, placement of caps, and natural recovery. The caps consist of approximately three feet of sand and gravel and light-loose riprap, and were placed in various locations within the waterway to contain the contaminated sediments. These caps were designed to withstand activities common to a working waterfront. The cap areas cover approximately two acres of sediment in the waterway. Construction activities were initiated in July 2003 and completed in January 2005. A Remedial Action Completion Report documenting the cleanup activities was completed and approved by the U.S. EPA in April 2005.

C. Basis and Purpose

Under the Ports and Waterways Safety Act, the Coast Guard has the authority to establish RNAs in defined water areas that are determined to have hazardous conditions and in which vessel traffic can be regulated in the interest of safety. See 33 U.S.C. 1231 and Department of Homeland Security Delegation No. 0170.1. Coast Guard District Commanders are granted authority under 33 CFR 165.11 to regulate vessel traffic in areas with hazardous conditions. This rule is necessary to prevent disturbance of the sediment caps established in the Middle Waterway Problem Area of the CB–NT Superfund Cleanup Site. Disruption of the integrity of the caps may result in a hazardous condition and harm to the marine environment. As such, this RNA is necessary to protect the integrity of the caps and will do so by prohibiting maritime activities that could disturb or damage them. Enforcement of this RNA will be managed by Coast Guard Sector Puget Sound assets including Vessel Traffic Service Puget Sound through radar and closed circuit television sensors. The Captain of the Port Puget Sound may also be assisted by other state, local, or government agencies in the enforcement of this rule.

D. Discussion of Proposed Rule

The Coast Guard proposes to establish a permanent RNA on the Middle Waterway to protect the sediment caps in the Middle Waterway Problem Area of the CB–NT Superfund Site. It would do so by restricting vessel anchoring, dragging, trawling, spudding or other activities that could disrupt the integrity of the caps and the underlying contaminated sediments located in the proposed RNA. Activities common in the proposed regulated areas include tugboat and log-rafting activities, tugboat moorage, removal and launching of ships for repair, and other ship repair and maintenance activities. The cap areas were designed to be compatible with the activities described above that are associated with a working waterfront. The material used for the caps was chosen to be able to contain underlying sediments without altering the main activities of the working waterway.

E. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on a number of these statutes or executive orders.

1. Regulatory Planning and Review

This proposed rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, as supplemented by Executive Order 13563, Improving Regulation and Regulatory Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of Executive Order 12866 or under section 1 of Executive Order 13563. The Office of Management and Budget has not reviewed it under those Orders. This expectation is based on the fact that the RNA established by the rule would encompass a small area that should not impact commercial or recreational traffic, and the prohibited activities are not routine for the designated areas.

2. Impact on Small Entities

The Regulatory Flexibility Act of 1980 (RFA), 5 U.S.C. 601–612, as amended, requires federal agencies to consider the potential impact of regulations on small entities during rulemaking. 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 proposed rule will not have a significant economic impact on a substantial number of small entities. This proposed rule would affect the following entities, some of which may be small entities: The owners or operators of vessels intending to anchor, drag, dredge, trawl, spud, or disturb the riverbed in any fashion when this rule is in effect. The RNA would not have a significant economic impact on small entities due to its small area and waiver process for legitimate use.

If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic impact on it, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies and how and to what degree this proposed rule would economically affect it.

3. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this proposed rule. If the proposed rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in **FOR FURTHER INFORMATION CONTACT**. The Coast Guard will not retaliate against small entities that question or complain about this proposed rule or any policy or action of the Coast Guard.

4. Collection of Information

This proposed rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

5. Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this proposed rule under that Order and determined that this rulemaking does not have implications for federalism.

6. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.

7. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this proposed rule would not result in such an expenditure, we do discuss the effects of this rulemaking elsewhere in this preamble.

8. Taking of Private Property

This proposed rule would not cause a taking of private property or otherwise have taking implications under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

9. Civil Justice Reform

This proposed rule meets applicable standards in sections 3(a) and 3(b)(2) of Executive Order 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

10. Protection of Children From Environmental Health Risks

We have analyzed this proposed rule under Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks. This proposed rule is not economically significant and would not create an environmental risk to health or risk to safety that might disproportionately affect children.

11. Indian Tribal Governments

This proposed rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it would not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes. The Coast Guard and EPA consulted with the Puyallup tribe in coming to this determination.

12. Energy Effects

This proposed rule is not a ''significant energy action'' under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use.

13. Technical Standards

This proposed rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

14. Environment

We have analyzed this proposed rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.lD, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321–4370f), and have made a preliminary determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This proposed rule involves a regulated navigation area which prevents activities which would disturb the riverbed within the areas outlined in this regulation. This proposed rule is categorically excluded from further review under paragraph 34(h) of Figure 2–1 of the Commandant Instruction. A preliminary environmental analysis checklist supporting this determination and a Categorical Exclusion Determination are available in the docket where indicated under **ADDRESSES**. We seek any comments or information that may lead to the discovery of a significant environmental impact from this proposed rule.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

33 CFR Part 165

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

■ 1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1231; 50 U.S.C. 191; 33 CFR 1.05–1, 6.04–1, 6.04–6, and 160.5; Department of Homeland Security Delegation No. 0170.1.

■ 2. Add § 165.1342 to subpart F under the undesignated center heading Thirteenth Coastguard District to read as follows:

§ 165.1342 Regulated Navigation Area; Middle Waterway Superfund Cleanup Site, Commencement Bay; Tacoma, WA

(a) *Regulated Areas.* The following areas are regulated navigation areas: All waters within the Middle Waterway south of a line connecting a point on the shore at 47°15′51″ N, 122°25′53″ W; thence southwest to 47°15′47″ N, 122°25′59″ W [Datum: NAD 1983].

(b) *Regulations.* (1) All vessels and persons are prohibited from activities that would disturb the seabed, such as grounding, anchoring, dragging, trawling, spudding, or other activities that involve disrupting the integrity of the caps within the designated regulated navigation area, pursuant to the remediation efforts of the U.S. Environmental Protection Agency (EPA) in the Middle Waterway's EPA superfund cleanup site. Vessels may otherwise transit or navigate within this area in accordance with the Navigation Rules.

(2) The prohibition described in paragraph (b)(1) of this section does not apply to vessels or persons engaged in activities associated with remediation efforts in the Middle Waterway superfund sites, provided that the Captain of the Port, Puget Sound (COTP), is given advance notice of those activities by the EPA.

(c) *Waivers.* Upon written request stating the need and proposed conditions of the waiver, and any proposed precautionary measures, the COTP may authorize a waiver from this section if the COTP determines that the activity for which the waiver is sought can take place without undue risk to the remediation efforts described in paragraph (b)(1) of this section. The COTP will consult with EPA in making this determination when necessary and practicable.

Dated: June 22, 2015.

R. T. Gromlich,

Rear Admiral, U.S. Coast Guard, Commander, Thirteenth Coast Guard District.

[FR Doc. 2015–17481 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–04–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R05–OAR–2013–0193; FRL–9930–40–Region 5]

Approval of Air Quality Implementation Plans; Indiana; Lead Rule Revisions

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a request submitted on March 14, 2013, and supplemented on November 17, 2014, by the Indiana Department of Environmental Management to revise the state implementation plan for lead. The submittal updates Indiana's lead rule at Title 326 of the Indiana Administrative Code (IAC), Article 15. It also amends 326 IAC Article 20, to incorporate some of the provisions of EPA's National Emission Standard for Hazardous Air Pollutants for secondary lead smelters. IDEM made the revisions to increase the stringency and clarity of Indiana's lead SIP rules.

DATES: Comments must be received on or before August 17, 2015.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R05–OAR–2013–0193 by one of the following methods:

1. *www.regulations.gov:* Follow the on-line instructions for submitting comments.
2. *Email: blakley.pamela@epa.gov.*
3. *Fax:* (312) 692–2450.
4. *Mail:* Pamela Blakley, Chief, Control Strategies Section (AR–18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604.
5. *Hand Delivery:* Pamela Blakley, Chief, Control Strategies Section (AR–18J), U.S. Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604. Such deliveries are only accepted during the Regional Office normal hours of operation, and special arrangements should be made for deliveries of boxed information. The Regional Office official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Please see the direct final rule which is located in the Rules section of this **Federal Register** for detailed instructions on how to submit comments.

FOR FURTHER INFORMATION CONTACT: Charles Hatten, Environmental Engineer, Control Strategies Section, Air Programs Branch (AR–18J), Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 886–6031, *hatten.charles@epa.gov.*

SUPPLEMENTARY INFORMATION: In the Final Rules section of this **Federal Register**, EPA is approving a portion of the State's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If EPA does not receive adverse comments in response to this rule, no further activity is contemplated. If EPA receives adverse comments, EPA will withdraw the direct final rule and will address all public comments received in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule, and if that provision can be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment. For additional information, see the direct final rule which is located in the Rules section of this **Federal Register**.

Dated: July 2, 2015.

Susan Hedman,

Regional Administrator, Region 5.

[FR Doc. 2015–17473 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R06–OAR–2010–0283; FRL–9930–68–Region 6]

Approval and Promulgation of Implementation Plans; Texas; Revisions to the Minor New Source Review (NSR) State Implementation Plan (SIP) for Portable Facilities

AGENCY: Environmental Protection Agency.

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve revisions to the Texas State Implementation Plan (SIP) submitted by the Texas Commission on Environmental Quality (TCEQ) on March 19, 2010 and July 2, 2010. These revisions to the Texas SIP revise the minor New Source Review (NSR)

program to provide for the relocation and change of location of permitted portable facilities, establish definitions related to portable facilities, and establish public participation for changes of location to portable facilities. The EPA proposes to find that these revisions to the Texas SIP comply with the Federal Clean Air Act (the Act or CAA) and are consistent with our regulations and policy for minor NSR. The EPA is proposing these actions under section 110 of the Act.

DATES: Written comments must be received on or before August 17, 2015.

ADDRESSES: Submit your comments, identified by Docket No. EPA–R06–OAR–2010–0283, by one of the following methods:

- *www.regulations.gov:* Follow the on-line instructions for submitted comments.
- *Email:* Ms. Aimee Wilson at *wilson.aimee@epa.gov.*
- *Mail or delivery:* Ms. Aimee Wilson, Air Permits Section (6PD–R), Environmental Protection Agency, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202–2733.

Instructions: Direct your comments to Docket ID No. EPA–R06–OAR–2010–0283. The EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *http://www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information the disclosure of which is restricted by statute. Do not submit information through *http://www.regulations.gov* or email, if you believe that it is CBI or otherwise protected from disclosure. The *http://www.regulations.gov* Web site is an ''anonymous access'' system, which means that the EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to the EPA without going through *http://www.regulations.gov,* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, the EPA recommends that you include your name and other contact information in the body of your comment along with any disk or CD–ROM submitted. If the EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, the EPA may not be able to consider your comment. Electronic files should avoid the use of special characters and any form of encryption and should be free of any defects or viruses.

Docket: The index to the docket for this action is available electronically at *www.regulations.gov* and in hard copy at the EPA Region 6, 1445 Ross Avenue, Suite 700, Dallas, Texas. While all documents in the docket are listed in the index, some information may be publicly available only at the hard copy location (*e.g.,* copyrighted material), and some may not be publicly available at either location (*e.g.,* CBI).

FOR FURTHER INFORMATION CONTACT: Ms. Aimee Wilson, (214) 665–7596; email *wilson.aimee@epa.gov.* To inspect the hard copy materials, please schedule an appointment with Ms. Wilson or contact Mr. Bill Deese at (214) 665–7253.

SUPPLEMENTARY INFORMATION: Throughout this document wherever ''we,'' ''us,'' or ''our'' is used, we mean the EPA.

I. Background

A. CAA and SIPs

The Act at section 110(a)(2)(C) requires states to develop and submit to the EPA for approval into the state SIP, preconstruction review and permitting programs applicable to certain new and modified stationary sources of air pollutants for attainment and nonattainment areas that cover both major and minor new sources and modifications, collectively referred to as the NSR SIP. The CAA NSR SIP program is composed of three separate programs: Prevention of Significant Deterioration (PSD), Nonattainment New Source Review (NNSR), and minor NSR.

The minor NSR SIP program addresses construction or modification activities that do not emit, or have the potential to emit, beyond certain major source/major modification thresholds and thus do not qualify as ''major'' and applies regardless of the designation of the area in which a source is located. Any submitted SIP revision, including revisions to a minor NSR program, must meet the applicable requirements for SIP elements in section 110 of the Act, and be consistent with all applicable statutory and regulatory requirements.

The EPA is proposing to approve portions of the March 19, 2010 and July 2, 2010 Texas SIP submittals as revisions to the Texas minor NSR SIP for portable facilities. This action only addresses the provisions relevant to the portable facilities program—30 Texas Administrative Code (TAC) sections 116.120 and 116.178 submitted on March 19, 2010 and 30 TAC section 39.402(a)(12) submitted on July 2, 2010. These provisions collectively establish the definitions applicable to portable facilities, criteria for relocating and changing the location of portable facilities, and public notice requirements for portable facilities.

B. Overview of the Portable Facilities Program

1. March 19, 2010 SIP Submittal

The TCEQ submitted to the EPA revisions to the State Implementation Plan (SIP) to address definitions related to portable facilities and rules regarding the relocation and changes of location of portable facilities on March 19, 2010. Texas previously adopted the revisions to the SIP on February 12, 2010; specifically definitions pertaining to portable facilities at 30 TAC section 116.20 and provisions for the relocation and change of location of portable facilities at 30 TAC section 116.178.

2. July 2, 2010 SIP Submittal

On June 2, 2010, the TCEQ adopted revisions to the State Implementation Plan to adopt amendments made to the 30 TAC Chapter 39 Public Notice provisions for NSR permits, including provisions specific to portable facilities at 30 TAC section 39.402(a)(12). The revisions were submitted to the EPA on July 2, 2010. As detailed in the Technical Support Document (TSD), this action will only address 30 TAC section 39.402(a)(12); all other portions of this SIP submittal have been addressed by the EPA in separate actions.

II. The EPA's Evaluation

The SIP submittals being evaluated as part of this rulemaking provide for the movement of existing portable facilities permitted under the Texas minor NSR program; therefore, the provisions for the change of location or relocation of portable facilities are evaluated against the federal requirements for minor NSR at 40 CFR 51.160–51.164 and in conjunction with the existing SIP-approved provisions of the Texas minor NSR permitting program. All portable facilities are permitted under the existing minor NSR SIP provisions in Chapter 116. The portable facilities are either permitted through a case-by case minor NSR permit subject to the requirements under 30 TAC sections 116.110–116.115 or through a Standard Permit issued under 30 TAC Chapter 116, Subchapter F. The EPA has previously approved these minor NSR permitting mechanisms as consistent with Federal minor NSR requirements.

The TCEQ issues the underlying minor NSR portable facility permits to be protective of the NAAQS and increment. 30 TAC sections 116.20 and 116.178 provide that once a permit has been issued to a portable facility, the facility can be moved either through a change of location or a relocation. A change of location occurs when a portable facility is moved to a new location and is required to go through the SIP-approved minor NSR public notice requirements of Chapter 39. A relocation of a portable facility is movement of the portable facility without public notice under Chapter 39. Relocations occur in one of two scenarios. First, portable facilities can be relocated to a location in support of a public works project in which the new site is located in or contiguous to the right-of way of the public works project. The second possibility, is that a portable facility relocates to a site in which a portable facility has previously been located at any time during the previous two years and the site was subject Chapter 39 public notice requirements. Public notice requirements for the change of location or relocation of a portable facility are established at 30 TAC section 39.402(a)(12). Our evaluation summarized below, and detailed more fully in our accompanying TSD, demonstrates that the portable facilities program satisfies applicable requirements for minor NSR programs.

The change of location or relocation of a portable facility permit does not change the underlying portable facility permit requirements and does not establish a new minor NSR permit. Rather, these provisions enable an existing permitted facility to move as provided under the portable designation. Under both a change of location or relocation, the minor NSR permit (either a case-by-case minor NSR permit issued under 30 TAC sections 116.110–116.115 or a Standard Permit issued under 30 TAC Chapter 116, Subchapter F) was required to conduct a health impact and air quality analysis prior to issuance. The TCEQ's record demonstrates that emissions associated with portable facilities are typically minimal and the underlying permit contains the appropriate emission limits, permit terms, and conditions to ensure that the portable facility will have minimal environmental impacts at the property line. Additionally, the TCEQ has the responsibility to review each request for a change of location or relocation of a portable facility; the TCEQ will deny a request for a change of location or relocation if movement will result in adverse impacts on attainment or maintenance of the NAAQS or increment violations.

The EPA's minor NSR regulations require public notice for each minor NSR permit. Because neither the change of location nor relocation of a portable facility results in a new minor NSR permit than the permit that was originally public noticed, there is no specific federal requirement for a new public notice. Relocations of portable facilities with minor NSR permits can occur since there is no underlying change to the permit terms and conditions and the TCEQ evaluates each requested relocation for adverse environmental impacts on attainment or maintenance of the NAAQS or increment violations.

The EPA has also evaluated the March 19, 2010 and July 2, 2010 revisions pertaining to Portable Facilities under section 110(l) of the Act. We have preliminarily determined that the TCEQ satisfied all procedural requirements pursuant to section 110(l) as detailed in our accompanying TSD. Further, the EPA has preliminarily determined that the Portable Facilities SIP revisions satisfy the minimum requirements for a minor NSR program, including adequate provisions for legal enforceability and public participation to ensure protection of the control strategy and any applicable NAAQS. The Portable Facilities program also contains sufficient safeguards to prevent circumvention of Major NSR permitting requirements. Therefore, we find that the Portable Facilities program is protective of the NAAQS, increment, attainment and reasonable further progress, and any other applicable control strategy requirements and will therefore satisfy the requirements of section 110(l) of the Act.

III. Proposed Action

The EPA is proposing to approve portions of the March 19, 2010 and July 2, 2010, revisions to the Texas SIP to revise the minor NSR program for portable facilities. We have evaluated the SIP submissions for whether they meet the Act and 40 CFR part 51, and are consistent with EPA's interpretation of the relevant provisions. Based upon our evaluation, the EPA is preliminarily concluding that the March 9, 2010 and July 2, 2010, SIP revision submittals for portable facilities and public participation for portable facilities meet the applicable requirements of the Act and 40 CFR part 51. Therefore, EPA is proposing to approve the following provisions pertaining to portable facilities into the Texas minor NSR SIP:

- 30 TAC section 116.20 adopted on February 10, 2010, submitted on March 19, 2010;
- 30 TAC section 116.178 adopted on February 10, 2010, submitted on March 19, 2010; and
- 30 TAC section 39.402(a)(12) adopted on June 2, 2010, submitted on July 2, 2010.

The EPA is proposing this action under section 110 of the Clean Air Act (CAA). After review and consideration of public comments, we will take final action on the SIP revisions that are identified herein.

IV. Incorporation by Reference

In this action, we are proposing to include in a final rule regulatory text that includes incorporation by reference. In accordance with the requirements of 1 CFR 51.5, we are proposing to incorporate by reference revisions to the Texas regulations as described in the Proposed Action section above. We have made, and will continue to make, these documents generally available electronically through *www.regulations.gov* and/or in hard copy at the EPA Region 6 office.

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Clean Air Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this document merely proposes to approve state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a ''significant regulatory action'' subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4);
- Does not have Federalism implications as specified in Executive

Order 13132 (64 FR 43255, August 10, 1999);

• Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);

• Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);

• Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and

• Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon Monoxide, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen oxides, Ozone, Particulate matter, Portable facilities, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: July 8, 2015.

Ron Curry,

Regional Administrator, Region 6.

[FR Doc. 2015–17468 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R01–OAR–2012–0950; FRL–9930–53-Region 1]

Approval and Promulgation of Air Quality Implementation Plans; New Hampshire; Infrastructure State Implementation Plan Requirements

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve elements of State Implementation Plan (SIP) submissions from New Hampshire regarding the infrastructure requirements of the Clean Air Act (CAA or Act) for the 2008 lead (Pb), 2008 8-hr ozone, 2010 nitrogen dioxide (NO_2), and 2010 sulfur dioxide (SO_2) National Ambient Air Quality Standards (NAAQS). EPA is also proposing to convert conditional approvals for several infrastructure requirements for the 1997 and 2006 fine particle ($PM_{2.5}$) NAAQS to full approval under the CAA. Furthermore, we are proposing to update the classifications for several of New Hampshire's air quality control regions for ozone and sulfur dioxide based on recent air quality monitoring data collected by the state, and to grant the state's request for an exemption from the infrastructure SIP contingency plan obligation for ozone. Last, we are proposing to conditionally approve certain elements of New Hampshire's submittal relating to prevention of significant deterioration requirements.

The infrastructure requirements are designed to ensure that the structural components of each state's air quality management program are adequate to meet the state's responsibilities under the CAA.

DATES: Comments must be received on or before August 17, 2015.

ADDRESSES: Submit your comments, identified by the appropriate Docket ID number as indicated in the instructions section below, by one of the following methods:

1. *www.regulations.gov:* Follow the on-line instructions for submitting comments.
2. *Email: arnold.anne@epa.gov.*
3. *Fax:* (617) 918–0047.
4. *Mail:* Anne Arnold, Manager, Air Quality Planning Unit, Air Programs Branch, Mail Code OEP05–2, U.S. Environmental Protection Agency, 5 Post Office Square, Suite 100, Boston, Massachusetts, 02109–3912.
5. *Hand Delivery:* Anne Arnold, Manager, Air Quality Planning Unit, Air Programs Branch, Mail Code OEP05–2, U.S. Environmental Protection Agency, 5 Post Office Square, Suite 100, Boston, Massachusetts, 02109–3912. Such deliveries are only accepted during the Regional Office normal hours of operation, and special arrangements should be made for deliveries of boxed information. The Regional Office official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Instructions: Direct your comments to Docket ID. EPA–R01–OAR–2012–0950. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *www.regulations.gov* or email. The *www.regulations.gov* Web site is an ''anonymous access'' system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through *www.regulations.gov* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the docket are listed in the *www.regulations.gov* index. Although listed in the index, some information is not publicly available, *e.g.,* CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in *www.regulations.gov* or in hard copy at the U.S. Environmental Protection Agency, Region 1, Air Programs Branch, 5 Post Office Square, Boston, Massachusetts. This facility is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays.

FOR FURTHER INFORMATION CONTACT: Bob McConnell, Environmental Engineer, Air Quality Planning Unit, Air Programs Branch (Mail Code OEP05–02), U.S. Environmental Protection Agency, Region 1, 5 Post Office Square, Suite 100, Boston, Massachusetts, 02109–3912; (617) 918–1046; *mcconnell.robert@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean

EPA. This supplementary information section is arranged as follows:

I. What should I consider as I prepare my comments for EPA?
II. What is the background of these State Implementation Plan (SIP) submissions?
A. What New Hampshire SIP submissions does this rulemaking address?
B. Why did the state make these SIP submissions?
C. What is the scope of this rulemaking?
III. What guidance is EPA using to evaluate these SIP submissions?
IV. What is the result of EPA's review of these SIP submissions?
A. Section 110(a)(2)(A)—Emission limits and other control measures
B. Section 110(a)(2)(B)—Ambient air quality monitoring/data system
C. Section 110(a)(2)(C)—Program for enforcement of control measures and for construction or modification of stationary sources
i. Sub-element 1: Enforcement of SIP measures
ii. Sub-element 2: Prevention of Significant Deterioration (PSD) program for major sources and major modifications
iii. Sub-element 3: Preconstruction permitting for minor sources and minor modifications
D. Section 110(a)(2)(D)—Interstate transport
i. Sub-element 1: Section 110(a)(2)(D)(i)(I)—Contribute to nonattainment (prong 1) and interfere with maintenance of the NAAQS (prong 2)
ii. Sub-element 2: Section 110(a)(2)(D)(i)(II)—PSD (prong 3)
iii. Sub-element 3: Section 110(a)(2)(D)(i)(II)—Visibility protection (prong 4)
iv. Sub-element 4: Section 110(a)(2)(D)(ii)—Interstate pollution abatement
v. Sub-element 5: Section 110(a)(2)(D)(ii)—International pollution abatement
E. Section 110(a)(2)(E)—Adequate resources
F. Section 110(a)(2)(F)—Stationary source monitoring system
G. Section 110(a)(2)(G)—Emergency powers
H. Section 110(a)(2)(H)—Future SIP revisions
I. Section 110(a)(2)(I)—Nonattainment area plan or plan revisions under part D
J. Section 110(a)(2)(J)—Consultation with government officials; public notifications; PSD; visibility protection
i. Sub-element 1: Consultation with government officials
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iii. Sub-element 3: PSD
iv. Visibility protection
K. Section 110(a)(2)(K)—Air quality modeling/data
L. Section 110(a)(2)(L)—Permitting fees
M. Section 110(a)(2)(M)—Consultation/participation by affected local entities
V. What action is EPA taking?
VI. Incorporation by Reference
VII. Statutory and Executive Order Reviews

I. What should I consider as I prepare my comments for EPA?

When submitting comments, remember to:

1. Identify the rulemaking by docket number and other identifying information (subject heading, **Federal Register** date, and page number).
2. Follow directions—EPA may ask you to respond to specific questions or organize comments by referencing a Code of Federal Regulations (CFR) part or section number.
3. Explain why you agree or disagree; suggest alternatives and substitute language for your requested changes.
4. Describe any assumptions and provide any technical information and/or data that you used.
5. If you estimate potential costs or burdens, explain how you arrived at your estimate in sufficient detail to allow for it to be reproduced.
6. Provide specific examples to illustrate your concerns, and suggest alternatives.
7. Explain your views as clearly as possible, avoiding the use of profanity or personal threats.
8. Make sure to submit your comments by the comment period deadline identified.

II. What is the background of these State Implementation Plan (SIP) submissions?

A. What New Hampshire SIP submissions does this rulemaking address?

This rulemaking addresses submissions from the New Hampshire Department of Environmental Services (NH–DES). The state submitted its infrastructure SIP for each NAAQS on the following dates: 2008 Pb—November 7, 2011; 2008 ozone—December 31, 2012; 2010 NO_2—January 28, 2013; and, 2010 SO_2—September 13, 2013.

This rulemaking also addresses certain infrastructure SIP elements for the 1997 and 2006 fine particle ($PM_{2.5}$) [1] NAAQS for which EPA previously issued a conditional approval. See 77 FR 63228, October 16, 2012. The state submitted these infrastructure SIPs on April 3, 2008, and September 18, 2009, respectively.

B. Why did the state make these SIP submissions?

Under sections 110(a)(1) and (2) of the CAA, states are required to submit infrastructure SIPs to ensure that their SIPs provide for implementation, maintenance, and enforcement of the NAAQS, including the 1997 and 2006 $PM_{2.5}$, 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. These submissions must contain any revisions needed for meeting the applicable SIP requirements of section 110(a)(2), or certifications that their existing SIPs for the NAAQS already meet those requirements.

EPA highlighted this statutory requirement in an October 2, 2007, guidance document entitled ''Guidance on SIP Elements Required Under Sections 110(a)(1) and (2) for the 1997 8-hour Ozone and $PM_{2.5}$ National Ambient Air Quality Standards'' (2007 Memo). On September 25, 2009, EPA issued an additional guidance document pertaining to the 2006 p.m.$_{2.5}$ NAAQS entitled ''Guidance on SIP Elements Required Under Sections 110(a)(1) and (2) for the 2006 24-Hour Fine Particle ($PM_{2.5}$) National Ambient Air Quality Standards (NAAQS)'' (2009 Memo), followed by the October 14, 2011, ''Guidance on infrastructure SIP Elements Required Under Sections 110(a)(1) and (2) for the 2008 Lead (Pb) National Ambient Air Quality Standards (NAAQS)'' (2011 Memo). Most recently, EPA issued ''Guidance on Infrastructure State Implementation Plan (SIP) Elements under Clean Air Act Sections 110(a)(1) and (2)'' on September 13, 2013 (2013 Memo). The SIP submissions referenced in this rulemaking pertain to the applicable requirements of section 110(a)(1) and (2) and address the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS, and to elements of New Hampshire's submittals for the 1997 $PM_{2.5}$ and 2006 $PM_{2.5}$ NAAQS which we previously conditionally approved. See 77 FR 63228, October 16, 2012. To the extent that the prevention of significant deterioration (PSD) program is comprehensive and non-NAAQS specific, a narrow evaluation of other NAAQS, such as the 1997 8-hour ozone NAAQS, will be included in the appropriate sections.

C. What is the scope of this rulemaking?

EPA is acting upon the SIP submissions from New Hampshire that address the infrastructure requirements of CAA sections 110(a)(1) and 110(a)(2) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. Additionally, we are proposing to convert conditional approvals for several infrastructure requirements for the 1997 and 2006 $PM_{2.5}$ NAAQS (See 77 FR 63228, October 16, 2012) to full approval, proposing approval of the statutes submitted by New Hampshire that support the infrastructure SIP

[1] $PM_{2.5}$ refers to particulate matter of 2.5 microns or less in diameter, oftentimes referred to as ''fine'' particles.

submittals, and proposing to conditionally approve certain aspects of the infrastructure SIP which pertain to the State's PSD program.

The requirement for states to make a SIP submission of this type arises out of CAA sections 110(a)(1) and 110(a)(2). Pursuant to these sections, each state must submit a SIP that provides for the implementation, maintenance, and enforcement of each primary or secondary NAAQS. States must make such SIP submission ''within 3 years (or such shorter period as the Administrator may prescribe) after the promulgation of'' a new or revised NAAQS. This requirement is triggered by the promulgation of a new or revised NAAQS and is not conditioned upon EPA's taking any other action. Section 110(a)(2) includes the specific elements that ''each such plan'' must address.

EPA commonly refers to such SIP submissions made for the purpose of satisfying the requirements of CAA sections 110(a)(1) and 110(a)(2) as ''infrastructure SIP'' submissions. Although the term ''infrastructure SIP'' does not appear in the CAA, EPA uses the term to distinguish this particular type of SIP submission from submissions that are intended to satisfy other SIP requirements under the CAA, such as ''nonattainment SIP'' or ''attainment plan SIP'' submissions to address the planning requirements of part D of title I of the CAA.

This rulemaking will not cover three substantive areas that are not integral to acting on a state's infrastructure SIP submission: (i) Existing provisions related to excess emissions during periods of start-up, shutdown, or malfunction at sources (''SSM'' emissions) that may be contrary to the CAA and EPA's policies addressing such excess emissions; (ii) existing provisions related to ''director's variance'' or ''director's discretion'' that purport to permit revisions to SIP-approved emissions limits with limited public process or without requiring further approval by EPA, that may be contrary to the CAA (''director's discretion''); and, (iii) existing provisions for PSD programs that may be inconsistent with current requirements of EPA's ''Final New Source Review (NSR) Improvement Rule,'' 67 FR 80186 (December 31, 2002), as amended by 72 FR 32526 (June 13, 2007) (''NSR Reform''). Instead, EPA has the authority to address each one of these substantive areas separately. A detailed history, interpretation, and rationale for EPA's approach to infrastructure SIP requirements can be found in EPA's May 13, 2014, proposed rule entitled, ''Infrastructure SIP Requirements for the 2008 Lead NAAQS'' in the section, ''What is the scope of this rulemaking?'' (*See* 79 FR 27241 at 27242–27245).

III. What guidance is EPA using to evaluate these SIP submissions?

EPA reviews each infrastructure SIP submission for compliance with the applicable statutory provisions of section 110(a)(2), as appropriate. Historically, EPA has elected to use non-binding guidance documents to make recommendations for states' development and EPA review of infrastructure SIPs, in some cases conveying needed interpretations on newly arising issues and in some cases conveying interpretations that have already been developed and applied to individual SIP submissions for particular elements. EPA guidance applicable to these infrastructure SIP submissions is embodied in several documents. Specifically, attachment A of the 2007 Memo (Required Section 110 SIP Elements) identifies the statutory elements that states need to submit in order to satisfy the requirements for an infrastructure SIP submission. The 2009 Memo provides additional guidance for certain elements regarding the 2006 $PM_{2.5}$ NAAQS, and the 2011 Memo provides guidance specific to the 2008 Pb NAAQS. Lastly, the 2013 Memo identifies and further clarifies aspects of infrastructure SIPs that are not NAAQS specific.

IV. What is the result of EPA's review of these SIP submissions?

Pursuant to section 110(a), and as noted in the 2011 Memo and the 2013 Memo, states must provide reasonable notice and opportunity for public hearing for all infrastructure SIP submissions. NH–DES held public hearings for each infrastructure SIP on the following dates: 2008 Pb—October 3, 2011; 2008 ozone—December 31, 2012; 2010 NO_2—January 16, 2013; and, 2010 SO_2—May 24, 2013. New Hampshire received comments from EPA on each of its proposed infrastructure SIPs, and also received comments from the Sierra Club on its proposed SO_2 infrastructure SIP. EPA is also soliciting comment on our evaluation of the state's infrastructure SIP submissions in this notice of proposed rulemaking. New Hampshire provided detailed synopses of how various components of its SIP meet each of the requirements in section 110(a)(2) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS, as applicable. The following review evaluates the state's submissions in light of section 110(a)(2) requirements and relevant EPA guidance. The review also evaluates certain infrastructure requirements for the 1997 and 2006 $PM_{2.5}$ NAAQS for which EPA previously issued a conditional approval. (See 77 FR 63228, October 16, 2012).

A. Section 110(a)(2)(A)—Emission Limits and Other Control Measures

This section requires SIPs to include enforceable emission limits and other control measures, means or techniques, schedules for compliance, and other related matters. However, EPA has long interpreted emission limits and control measures for attaining the standards as being due when nonattainment planning requirements are due.[2] In the context of an infrastructure SIP, EPA is not evaluating the existing SIP provisions for this purpose. Instead, EPA is only evaluating whether the state's SIP has basic structural provisions for the implementation of the NAAQS.

New Hampshire's Revised Statutes Annotated (RSA) at Chapter 21–O established the New Hampshire Department of Environmental Services (NH–DES), and RSA Chapter 125–C provides the Commissioner of NH–DES with the authority to develop rules and regulations necessary to meet state and Federal ambient air quality standards. New Hampshire also has SIP-approved provisions for specific pollutants. For example, NH–DES has adopted primary and secondary ambient air quality standards for each of these pollutants in its Chapter Env–A 300 Ambient Air Quality Standards, as follows: for $PM_{2.5}$, Part Env–A 303; for SO_2, Part Env–A 304; for NO_2, Part Env–A 306; for ozone, Part Env–A 307; and, for lead, Part Env–A 308. As noted in EPA's approval of New Hampshire's Chapter Env–A 300, Ambient Air Quality Standards, on June 24, 2014 (79 FR 35695), New Hampshire's standards are consistent with the current federal NAAQS. Therefore, EPA proposes that New Hampshire has met the infrastructure SIP requirements of section 110(a)(2)(A) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. In addition, we previously issued a conditional approval for New Hampshire's infrastructure SIP submittal made for the 1997 and 2006 $PM_{2.5}$ NAAQS because portions of Env–A 300 were outdated. (See 77 FR 63228, October 16, 2012). However, as noted in our June 24, 2014 action mentioned above, New Hampshire has revised their standards and they are now consistent

[2] See, *e.g.,* EPA's final rule on ''National Ambient Air Quality Standards for Lead.'' 73 FR 66964, 67034 (Nov. 12, 2008).

with the federal NAAQS. In light of this, we propose to convert the conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (See 77 FR 63228, October 16, 2012) to full approval. As previously noted, EPA is not proposing to approve or disapprove any existing state provisions or rules related to SSM or director's discretion in the context of section 110(a)(2)(A).

B. Section 110(a)(2)(B)—Ambient Air Quality Monitoring/Data System

This section requires SIPs to include provisions to provide for establishing and operating ambient air quality monitors, collecting and analyzing ambient air quality data, and making these data available to EPA upon request. Each year, states submit annual air monitoring network plans to EPA for review and approval. EPA's review of these annual monitoring plans includes our evaluation of whether the state: (i) Monitors air quality at appropriate locations throughout the state using EPA-approved Federal Reference Methods or Federal Equivalent Method monitors; (ii) submits data to EPA's Air Quality System (AQS) in a timely manner; and, (iii) provides EPA Regional Offices with prior notification of any planned changes to monitoring sites or the network plan.

NH–DES continues to operate a monitoring network, and EPA approved the state's most recent Annual Air Monitoring Network Plan for Pb, ozone, NO_2, and SO_2 on October 10, 2014. Furthermore, NH–DES populates AQS with air quality monitoring data in a timely manner, and provides EPA with prior notification when considering a change to its monitoring network or plan. EPA proposes that NH–DES has met the infrastructure SIP requirements of section 110(a)(2)(B) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

C. Section 110(a)(2)(C)—Program for Enforcement of Control Measures and for Construction or Modification of Stationary Sources

States are required to include a program providing for enforcement of all SIP measures and the regulation of construction of new or modified stationary sources to meet NSR requirements under PSD and nonattainment new source review (NNSR) programs. Part C of the CAA (sections 160–169B) addresses PSD, while part D of the CAA (sections 171–193) addresses NNSR requirements.

The evaluation of each state's submission addressing the infrastructure SIP requirements of section 110(a)(2)(C) covers the following: (i) Enforcement of SIP measures; (ii) PSD program for major sources and major modifications; and, (iii) permitting program for minor sources and minor modifications. A discussion of GHG permitting and the ''Tailoring Rule'' [3] is included within our evaluation of the PSD provisions of New Hampshire's submittals.

i. Sub-Element 1: Enforcement of SIP Measures

NH–DES staffs and implements an enforcement program pursuant to RSA Chapter 125–C: Air Pollution Control, of the New Hampshire Statutes. Specifically, RSA Chapter 125–C:15, Enforcement, authorizes the Commissioner of the NH–DES or the authorized representative of the Commissioner, upon finding a violation of Chapter 125–C has occurred, to issue a notice of violation or an order of abatement, and to include within it a schedule for compliance. Additionally, RSA 125–C:15 I–b, II, III, and IV provide for penalties for violations of Chapter 125–C. EPA proposes that New Hampshire has met the enforcement of SIP measures requirements of section 110(a)(2)(C) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

ii. Sub-Element 2: PSD Program for Major Sources and Major Modifications

Prevention of significant deterioration (PSD) applies to new major sources or modifications made to major sources for pollutants where the area in which the source is located is in attainment of, or unclassifiable with regard to, the relevant NAAQS. NH–DES's EPA-approved PSD rules, contained at Part Env-A 619, contain provisions that address the majority of the applicable infrastructure SIP requirements related to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. One aspect of New Hampshire's PSD rules relating to notification of neighboring states regarding the issuance of PSD permits, however, has not been fully addressed at this time. However, on April 24, 2015, EPA proposed to conditionally approve a recent update from New Hampshire to address this deficiency. (See 80 FR 22957). Once we have published a final conditional approval for that action, we intend to conditionally approve this aspect of sub-element 2 of the state's infrastructure SIPs as well. Accordingly, we propose to approve the majority of New Hampshire's submittals for this sub-element pertaining to section 110(a)(2)(C) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS, but to conditionally approve the aspect pertaining to provision of notice to neighboring states.

EPA's ''Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 2; Final Rule to Implement Certain Aspects of the 1990 Amendments Relating to New Source Review and Prevention of Significant Deterioration as They Apply in Carbon Monoxide, Particulate Matter, and Ozone NAAQS; Final Rule for Reformulated Gasoline'' (Phase 2 Rule) was published on November 29, 2005 (*See* 70 FR 71612). Among other requirements, the Phase 2 Rule obligated states to revise their PSD programs to explicitly identify NO_X as a precursor to ozone (70 FR 71612 at 71679, 71699–71700, November 29, 2005). This requirement was codified in 40 CFR 51.166, and requires that states submit SIP revisions incorporating the requirements of the rule, including these specific NO_X as a precursor to ozone provisions, by June 15, 2007 (*See* 70 FR 71612 at 71683, November 29, 2005).

On November 15, 2012, New Hampshire submitted revisions to its PSD program incorporating the necessary changes regarding NO_X as a precursor to ozone, consistent with the requirements of the Phase 2 Rule. EPA proposed approval of New Hampshire's SIP revisions with respect to the NSR portion of the Phase 2 Rule on January 21, 2015, (See 80 FR 2860),[4] and we will take final action on those revisions prior to, or in conjunction with, finalizing our action on these infrastructure SIP requirements. Therefore, we are proposing to find that New Hampshire has met this set of requirements of section 110(a)(2)(C) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS regarding the explicit

[3] In EPA's April 28, 2011 proposed rulemaking for several states' infrastructure SIPs for the 1997 ozone and $PM_{2.5}$ NAAQS, we stated that each state's PSD program must meet applicable requirements for evaluation of all regulated NSR pollutants in PSD permits (See 76 FR 23757 at 23760). This view was reiterated in EPA's August 2, 2012 proposed rulemaking for several infrastructure SIPs for the 2006 $PM_{2.5}$ NAAQS (See 77 FR 45992 at 45998). In other words, if a state lacks provisions needed to adequately address Pb, NO_X as a precursor to ozone, $PM_{2.5}$ precursors, $PM_{2.5}$ and PM_{10} condensables, $PM_{2.5}$ increments, or the Federal GHG permitting thresholds, the provisions of section 110(a)(2)(C) requiring a suitable PSD permitting program must be considered not to be met irrespective of the NAAQS that triggered the requirement to submit an infrastructure SIP, including the 2008 Pb NAAQS.

[4] Note that EPA subsequently proposed a conditional approval of New Hampshire's PSD program due to a lack of a provision requiring notification to neighboring states of the issuance of PSD permits. See 80 FR 22957; April 24, 2015.

identification of NO_X as a precursor to ozone, consistent with our Phase 2 Rule.

On May 16, 2008 (*See* 73 FR 28321), EPA issued the Final Rule on the ''Implementation of the New Source Review (NSR) Program for Particulate Matter Less than 2.5 Micrometers ($PM_{2.5}$)'' (2008 NSR Rule). The 2008 NSR Rule finalized several new requirements for SIPs to address sources that emit direct $PM_{2.5}$ and other pollutants that contribute to secondary $PM_{2.5}$ formation. One of these requirements is for NSR permits to address pollutants responsible for the secondary formation of $PM_{2.5,}$ otherwise known as precursors. In the 2008 rule, EPA identified precursors to $PM_{2.5}$ for the PSD program to be sulfur dioxide (SO_2) and NO_X, unless the state demonstrates to the Administrator's satisfaction or EPA demonstrates that NO_X emissions in an area are not a significant contributor to that area's ambient $PM_{2.5}$ concentrations. The 2008 NSR Rule also specifies that volatile organic compounds (VOCs) are not considered to be precursors to $PM_{2.5}$ in the PSD program, unless the state demonstrates to the Administrator's satisfaction or EPA demonstrates that emissions of VOCs in an area are significant contributors to that area's ambient $PM_{2.5}$ concentrations.

The explicit references to $SO_{2,}$ NO_X, and VOCs as they pertain to secondary $PM_{2.5}$ formation are codified at 40 CFR 51.166(b)(49)(i)(*b*) and 52.21(b)(50)(i)(*b*). As part of identifying pollutants that are precursors to $PM_{2.5,}$ the 2008 NSR Rule also required states to revise the definition of ''significant'' as it relates to a net emissions increase or the potential of a source to emit pollutants. Specifically, 40 CFR 51.166(b)(23)(i) and 52.21(b)(23)(i) define ''significant'' for $PM_{2.5}$ to mean the following emissions rates: 10 tons per year (tpy) of direct $PM_{2.5}$; 40 tpy of SO_2; and 40 tpy of NO_X (unless the state demonstrates to the Administrator's satisfaction or EPA demonstrates that NO_X emissions in an area are not a significant contributor to that area's ambient $PM_{2.5}$ concentrations). The deadline for states to submit SIP revisions to their PSD programs incorporating these changes was May 16, 2011 (*See* 73 FR 28321 at 28341, May 16, 2008).[5]

The 2008 NSR Rule did not require states to immediately account for gases that could condense to form particulate matter, known as condensables, in $PM_{2.5}$ and PM_{10} emission limits in NSR permits. Instead, EPA determined that states had to account for $PM_{2.5}$ and PM_{10} condensables for applicability determinations and in establishing emissions limitations for $PM_{2.5}$ and PM_{10} in PSD permits beginning on or after January 1, 2011. 73 FR 28321 at 28334. This requirement is codified in 40 CFR 51.166(b)(49)(i)(*a*) and 52.21(b)(50)(i)(*a*). Revisions to states' PSD programs incorporating the inclusion of condensables were required be submitted to EPA by May 16, 2011 (*See* 73 FR 28321 at 28341).

On November 15, 2012, New Hampshire submitted revisions to its PSD program incorporating the necessary changes obligated by the 2008 NSR Rule, including provisions that explicitly identify precursors to $PM_{2.5}$ and account for $PM_{2.5}$ and PM_{10} condensables for applicability determinations and in establishing emissions limitations for $PM_{2.5}$ and PM_{10} in PSD permits. EPA's proposed approval of New Hampshire's SIP revision with respect to the 2008 NSR Rule was published on January 21, 2015 (See 80 FR 2860),[6] and we will take final action on these revisions prior to, or in conjunction with, finalizing our action on these infrastructure SIP revisions from New Hampshire.

Therefore, we are proposing that New Hampshire has met this set of requirements of section 110(a)(2)(C) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS regarding the requirements obligated by the 2008 NSR Rule. Additionally, we are also proposing to convert our prior conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (see 77 FR 63228, October 16, 2012) to full approval.

On October 20, 2010, EPA issued the final rule on the ''Prevention of Significant Deterioration (PSD) for Particulate Matter Less Than 2.5 Micrometers ($PM_{2.5}$)—Increments, Significant Impact Levels (SILs) and Significant Monitoring Concentration (SMC)'' (2010 NSR Rule). 75 FR 64864. This rule established several components for making PSD permitting determinations for $PM_{2.5}$, including a system of ''increments'' which is the mechanism used to estimate significant deterioration of ambient air quality for a pollutant. These increments are codified in 40 CFR 51.166(c) and 40 CFR 52.21(c).

The 2010 NSR Rule also established a new ''major source baseline date'' for $PM_{2.5}$ as October 20, 2010, and a new trigger date for $PM_{2.5}$ as October 20, 2011. These revisions are codified in 40 CFR 51.166(b)(14)(i)(*c*) and (b)(14)(ii)(*c*), and 52.21(b)(14)(i)(*c*) and (b)(14)(ii)(*c*). Lastly, the 2010 NSR Rule revised the definition of ''baseline area'' to include a level of significance of 0.3 micrograms per cubic meter, annual average, for $PM_{2.5.}$ This change is codified in 40 CFR 51.166(b)(15)(i) and 52.21(b)(15)(i).

On November 15, 2012, New Hampshire submitted revisions to its PSD program incorporating the necessary changes obligated by the 2010 NSR Rule, including the increments established by the 2010 NSR Rule for incorporation into the SIP, as well as the revised major source baseline date, trigger date, and baseline area level of significance for $PM_{2.5}$. EPA's proposed approval of New Hampshire's SIP revision with respect to the 2010 NSR Rule was published on January 21, 2015, (See 80 FR 2860),[7] and we will take final action on that submittal prior to, or in conjunction with, finalizing our action on these infrastructure SIP submittals from New Hampshire. Therefore, we are proposing that New Hampshire has met this set of requirements of section 110(a)(2)(C) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS regarding the requirements obligated by the 2010 NSR Rule. Additionally, we are also proposing to convert our prior

[5] EPA notes that on January 4, 2013, the U.S. Court of Appeals for the D.C. Circuit, in *Natural Resources Defense Council* v. *EPA,* 706 F.3d 428 (D.C. Cir.), held that EPA should have issued the 2008 NSR Rule in accordance with the CAA's requirements for PM_{10} nonattainment areas (Title I, Part D, subpart 4), and not the general requirements for nonattainment areas under subpart 1 (*Natural Resources Defense Council* v. *EPA,* No. 08–1250). As the subpart 4 provisions apply only to nonattainment areas, the EPA does not consider the portions of the 2008 rule that address requirements for $PM_{2.5}$ attainment and unclassifiable areas to be affected by the court's opinion. Moreover, EPA does not anticipate the need to revise any PSD requirements promulgated by the 2008 NSR rule in order to comply with the court's decision. Accordingly, the EPA's approval of New Hampshire's infrastructure SIP as to elements C, D(i)(II), or J with respect to the PSD requirements promulgated by the 2008 implementation rule does not conflict with the court's opinion. The Court's decision with respect to the nonattainment NSR requirements promulgated by the 2008 implementation rule also does not affect EPA's action on the present infrastructure action. EPA interprets the CAA to exclude nonattainment area requirements, including requirements associated with a nonattainment NSR program, from infrastructure SIP submissions due three years after adoption or revision of a NAAQS. Instead, these elements are typically referred to as nonattainment SIP or attainment plan elements, which would be due by the dates statutorily prescribed under subpart 2 through 5 under part D, extending as far as 10 years following designations for some elements.

[6] Note that EPA subsequently proposed a conditional approval of New Hampshire's PSD program due to a lack of a provision requiring notification to neighboring states of the issuance of PSD permits. See 80 FR 22957; April 24, 2015.

[7] Note that EPA subsequently proposed a conditional approval of New Hampshire's PSD program due to a lack of a provision requiring notification to neighboring states of the issuance of PSD permits. See 80 FR 22957; April 24, 2015.

conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (See 77 FR 63228) to full approval.

With respect to greenhouse gas permitting, EPA's ''Tailoring Rule,'' and element C,[8] EPA interprets the Clean Air Act to require each state to make an infrastructure SIP submission for a new or revised NAAQS that demonstrates that the air agency has a complete PSD permitting program meeting the current requirements for all regulated NSR pollutants. New Hampshire has shown that it currently has a PSD program in place that covers all regulated NSR pollutants, including greenhouse gases (GHGs).

On June 23, 2014, the United States Supreme Court issued a decision addressing the application of PSD permitting requirements to GHG emissions. *Utility Air Regulatory Group* v. *Environmental Protection Agency,* 134 S.Ct. 2427. The Supreme Court said that the EPA may not treat GHGs as an air pollutant for purposes of determining whether a source is a major source required to obtain a PSD permit. The Court also said that the EPA could continue to require that PSD permits, otherwise required based on emissions of pollutants other than GHGs, contain limitations on GHG emissions based on the application of Best Available Control Technology (BACT). In order to act consistently with its understanding of the Court's decision, the EPA is not continuing to apply EPA regulations that would require that SIPs include permitting requirements that the Supreme Court found impermissible. Specifically, EPA is not applying the requirement that a state's SIP-approved PSD program require that sources obtain PSD permits when GHGs are the only pollutant (i) that the source emits or has the potential to emit above the major source thresholds, or (ii) for which there is a significant emissions increase and a significant net emissions increase from a modification (*e.g.* 40 CFR 51.166(b)(48)(v)). EPA anticipates a need to revise federal PSD rules in light of the Supreme Court opinion. In addition, EPA anticipates that many states will revise their existing SIP-approved PSD programs in light of the Supreme Court's decision. At this juncture, EPA is not expecting states to have revised their PSD programs for purposes of infrastructure SIP submissions and is only evaluating such submissions to assure that the state's program correctly addresses GHGs consistent with the Supreme Court's decision.

At present, EPA has determined that New Hampshire's SIP is sufficient to satisfy element C with respect to GHGs because the PSD permitting program previously approved by EPA into the SIP continues to require that PSD permits (otherwise required based on emissions of pollutants other than GHGs) contain limitations on GHG emissions based on the application of BACT. Although the approved New Hampshire PSD permitting program may currently contain provisions that are no longer necessary in light of the Supreme Court decision, this does not render the infrastructure SIP submission inadequate to satisfy element C. The SIP contains the necessary PSD requirements at this time, and the application of those requirements is not impeded by the presence of other previously-approved provisions regarding the permitting of sources of GHGs that EPA does not consider necessary at this time in light of the Supreme Court decision. Accordingly, the Supreme Court decision does not affect EPA's proposed approval of New Hampshire's infrastructure SIP as to the requirements of element C.

For the purposes of the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS infrastructure SIPs, EPA reiterates that NSR Reform regulations are not in the scope of these actions. Therefore, we are not taking action on existing NSR Reform regulations for New Hampshire.

In summary, we are proposing to approve the majority of New Hampshire's submittals for this sub-element pertaining to section 110(a)(2)(C) with respect to the 2008 Pb, 2008 ozone, 2010 NO_X, and 2010 $S0_2$ NAAQS, but to conditionally approve the aspect pertaining to provision of notice to neighboring states. In addition, EPA previously issued a conditional approval to New Hampshire regarding the state's infrastructure submittals for the 1997 and 2006 $PM_{2.5}$ NAAQS because the state had not met the requirements of EPA's 2008 and 2010 NSR rules. See 77 FR 63228. Given that we have now proposed approval of New Hampshire's PSD program SIP revision with respect to the 2008 and 2010 NSR rules, we are also proposing to convert the prior conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (see 77 FR 63228) from conditional approval to approval. Note, however, that our April 24, 2015 notice of proposed rulemaking on New Hampshire's November 15, 2012 submittal proposes a conditional approval of the aspect of the state's permitting program pertaining to providing notification to neighboring states regarding the issuance of PSD permits. Accordingly, we are proposing to conditionally approve the aspect of New Hampshire's 1997 and 2006 $PM_{2.5}$ NAAQS infrastructure SIP submittals regarding provision of notification to neighboring states of the issuance of PSD permits.

iii. Sub-Element 3: Preconstruction Permitting for Minor Sources and Minor Modifications

To address the pre-construction regulation of the modification and construction of minor stationary sources and minor modifications of major stationary sources, an infrastructure SIP submission should identify the existing EPA-approved SIP provisions and/or include new provisions that govern the minor source pre-construction program that regulates emissions of the relevant NAAQS pollutants. EPA approved New Hampshire's minor NSR program on September 22, 1980 (45 FR 62814), and approved updates to the program on August 14, 1992. (See 57 FR 36606). Since this date, New Hampshire and EPA have relied on the existing minor NSR program to ensure that new and modified sources not captured by the major NSR permitting programs do not interfere with attainment and maintenance of the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

We are proposing to find that New Hampshire has met this set of requirements of Section 110(a)(2)(C) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

D. Section 110(a)(2)(D)—Interstate Transport

This section contains a comprehensive set of air quality management elements pertaining to the transport of air pollution that states must address. It covers the following 5 topics, categorized as sub-elements: Sub-element 1, Contribute to nonattainment, and interference with maintenance of a NAAQS; Sub-element 2, PSD; Sub-element 3, Visibility protection; Sub-element 4, Interstate pollution abatement; and Sub-element 5, International pollution abatement. Sub-elements 1 through 3 above are found under section 110(a)(2)(D)(i) of the Act, and these items are further categorized into the 4 prongs discussed below, 2 of which are found within sub-element 1. Sub-elements 4 and 5 are found under section 110(a)(2)(D)(ii) of the Act and include provisions insuring compliance with sections 115 and 126

[8] In this rulemaking, ''element C'' refers to section 110(a)(2)(C) of the CAA. References to other ''elements'' have similar meanings, *e.g.,* element D(i)(II) refers to section 110(a)(2)(D)(i)(II) of the CAA.

of the Act relating to interstate and international pollution abatement.

i. Sub-Element 1: Section 110(a)(2)(D)(i)(I)—Contribute to Nonattainment (Prong 1) and Interfere With Maintenance of the NAAQS (Prong 2)

With respect to the 2008 Pb NAAQS, the 2011 Memo notes that the physical properties of Pb prevent it from experiencing the same travel or formation phenomena as $PM_{2.5}$ or ozone. Specifically, there is a sharp decrease in Pb concentrations as the distance from a Pb source increases. Accordingly, although it may be possible for a source in a state to emit Pb at a location and in such quantities that contribute significantly to nonattainment in, or interference with maintenance by, any other state, EPA anticipates that this would be a rare situation (*e.g.,* sources emitting large quantities of Pb in close proximity to state boundaries). The 2011 Memo suggests that the applicable interstate transport requirements of section 110(a)(2)(D)(i)(I) with respect to lead can be met through a state's assessment as to whether or not emissions from Pb sources located in close proximity to its borders have emissions that impact a neighboring state such that they contribute significantly to nonattainment or interfere with maintenance in that state.

New Hampshire's infrastructure SIP submission for the 2008 Pb NAAQS notes that there are no sources of Pb emissions located in close proximity to any of the state's borders with neighboring states. Additionally, New Hampshire's submittal and the emissions data the state collects from its sources indicate that there is no single source of Pb, or group of sources, anywhere within the state that emits enough Pb to cause ambient concentrations to approach the Pb NAAQS. Our review of data within our National Emissions Inventory (NEI) database confirms this, and therefore we propose that New Hampshire has met this set of requirements related to section 110(a)(2)(D)(i)(I) for the 2008 Pb NAAQS.

In today's rulemaking, EPA is not proposing to approve or disapprove New Hampshire's compliance with section 110(a)(2)(D)(i)(I) with respect to the 2008 ozone, 2010 NO_2 and 2010 SO_2 NAAQS, since New Hampshire's infrastructure SIPs for these NAAQS do not include a submittal with respect to transport for sub-element 1, prongs 1 and 2.

ii. Sub-Element 2: Section 110(a)(2)(D)(i)(II)—PSD (Prong 3)

One aspect of section 110(a)(2)(D)(i)(II) requires SIPs to include provisions prohibiting any source or other type of emissions activity in one state from interfering with measures required to prevent significant deterioration of air quality in another state.

EPA notes that New Hampshire has satisfied the majority of the applicable infrastructure SIP PSD requirements for the 2008 Pb, 2008 ozone, 2010 NO_2, 2010 SO_2 NAAQS, and the 1997 and 2006 $PM_{2.5}$ NAAQS, but as detailed in the section of this notice addressing section 110(a)(2)(C), we are conditionally approving one element of the state's PSD program. We note that the proposed actions in that section related to PSD are consistent with the proposed actions related to PSD for section 110(a)(2)(D)(i)(II), and they are reiterated below.

New Hampshire has submitted revisions to its PSD regulations that are consistent with the EPA's requirements contained in the Phase 2 Rule, the 2008 NSR Rule, and the 2010 NSR Rule. EPA proposed approval of a number of these SIP revisions on January 21, 2015, (see 80 FR 2860),[9] and we will take final action on these revisions prior to, or in conjunction with, finalizing our action on these infrastructure requirements. Additionally, we proposed to conditionally approve an aspect of this program relating to providing notification to neighboring states of the issuance of PSD permits within a notice of proposed rulemaking published on April 24, 2015. (See 80 FR 22957). Therefore, in this rulemaking, we are proposing to approve all but one of the applicable infrastructure SIP requirements for this sub-element for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS, including the applicable PSD requirements associated with the permitting of GHG emitting sources, and are proposing to conditionally approve the remaining aspect of the state's program relating to notification to neighboring states mentioned above. Furthermore, we are also proposing to convert our prior conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (See 77 FR 63228, October 16, 2012) to an approval, except for the aspect relating to notification to neighboring states for which we are proposing a conditional approval.

States also have an obligation to ensure that sources located in nonattainment areas do not interfere with a neighboring state's PSD program. One way that this requirement can be satisfied is through an NNSR program consistent with the CAA that addresses any pollutants for which there is a designated nonattainment area within the state.

EPA approved New Hampshire's NNSR regulations on July 27, 2001 (66 FR 39104). These regulations contain provisions for how the state must treat and control sources in nonattainment areas, consistent with 40 CFR 51.165, or appendix S to 40 CFR part 51. EPA proposes that New Hampshire has met the requirements with respect to the prohibition of interference with a neighboring state's PSD program for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS related to section 110(a)(2)(D)(i)(II).

iii. Sub-Element 3: Section 110(a)(2)(D)(i)(II)—Visibility Protection (Prong 4)

With regard to the applicable requirements for visibility protection of section 110(a)(2)(D)(i)(II), states are subject to visibility and regional haze program requirements under part C of the CAA (which includes sections 169A and 169B). The 2009 Memo, the 2011 Memo, and 2013 Memo state that these requirements can be satisfied by an approved SIP addressing reasonably attributable visibility impairment, if required, or an approved SIP addressing regional haze.

New Hampshire's Regional Haze SIP was approved by EPA on August 22, 2012 (See 77 FR 50602). Accordingly, EPA proposes that New Hampshire has met the visibility protection requirements of 110(a)(2)(D)(i)(II) for the 2008 Pb NAAQS, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

iv. Sub-Element 4: Section 110(a)(2)(D)(ii)—Interstate Pollution Abatement

One aspect of section 110(a)(2)(D)(ii) requires each SIP to contain adequate provisions requiring compliance with the applicable requirements of section 126 relating to interstate pollution abatement.

Section 126(a) requires new or modified sources to notify neighboring states of potential impacts from the source. The statute does not specify the method by which the source should provide the notification. States with SIP-approved PSD programs must have a provision requiring such notification

[9] Note that EPA subsequently proposed a conditional approval of New Hampshire's PSD program due to a lack of a provision requiring notification to neighboring states of the issuance of PSD permits. See 80 FR 22957; April 24, 2015.

by new or modified sources. A lack of such a requirement in state rules would be grounds for disapproval of this element.

As mentioned elsewhere in this notice, in a separate action we are proposing to conditionally approve one element of New Hampshire's PSD program pertaining to notification to neighboring states of the issuance of PSD permits. Therefore, we propose to also conditionally approve New Hampshire's compliance with the infrastructure SIP requirements of section 126(a) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. New Hampshire has no obligations under any other provision of section 126.[10]

v. Sub-Element 5: Section 110(a)(2)(D)(ii)—International Pollution Abatement

One portion of section 110(a)(2)(D)(ii) requires each SIP to contain adequate provisions requiring compliance with the applicable requirements of section 115 relating to international pollution abatement. New Hampshire does not have any pending obligations under section 115 for the 2008 Pb, 2008 ozone, 2010 NO_2, or 2010 SO_2 NAAQS. Therefore, EPA is proposing that New Hampshire has met the applicable infrastructure SIP requirements of section 110(a)(2)(D)(ii) related to section 115 of the CAA (international pollution abatement) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

E. Section 110(a)(2)(E)—Adequate Resources

This section requires each state to provide for adequate personnel, funding, and legal authority under state law to carry out its SIP, and related issues. Additionally, Section 110(a)(2)(E)(ii) requires each state to comply with the requirements with respect to state boards under section 128. Finally, section 110(a)(2)(E)(iii) requires that, where a state relies upon local or regional governments or agencies for the implementation of its SIP provisions, the state retain responsibility for ensuring adequate implementation of SIP obligations with respect to relevant NAAQS. This sub-element, however, is inapplicable to this action, because New Hampshire does not rely upon local or regional governments or agencies for the implementation of its SIP provisions.

Sub-Element 1: Adequate Personnel, Funding, and Legal Authority Under State Law To Carry Out Its SIP, and Related issues

New Hampshire, through its infrastructure SIP submittals, has documented that its air agency has the requisite authority and resources to carry out its SIP obligations. New Hampshire RSA 125–C:6, Powers and Duties of the Commissioner, authorizes the Commissioner of the NH–DES to enforce the state's air laws, establish a permit program, accept and administer grants, and exercise incidental powers necessary to carry out the law. Additionally, RSA–125–C:12, Administrative Requirements, authorizes the Commissioner to collect fees to recover the costs of reviewing and acting upon permit applications and enforcing the terms of permits issued. The New Hampshire SIP, as originally submitted on January 27, 1972, and subsequently amended, provides additional descriptions of the organizations, staffing, funding and physical resources necessary to carry out the plan. EPA proposes that New Hampshire has met the infrastructure SIP requirements of this portion of section 110(a)(2)(E) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

New Hampshire has made several amendments to its Statutory Authority since its statutes were submitted to EPA for approval in 1972. In its December 31, 2012 infrastructure SIP submittal for ozone, New Hampshire submitted an updated amendment to the statutory authority within Title I: The State and its Government: Chapter 21–O:11 Department of Environmental Services, Air Resources Council. Additionally, within its September 13, 2013 infrastructure SIP submittal for the 2010 SO_2 NAAQS, New Hampshire included updated amendments to its statutory authority within Title X: Public Health, Chapter 125: Air Pollution Control, for incorporation into the SIP, although it later withdrew section 125–C:15, Enforcement, within a May 21, 2015 letter to EPA. The amendments we are proposing to approve are included in the following table:

TABLE 1—NEW HAMPSHIRE STATUTES SUBMITTED FOR INCORPORATION INTO THE SIP

Title I—The State and its Government Chapter 21–O: Department of Environmental Services Section 21–O:11 Air Resources Council Effective September 19, 2010		
Title X: Public Health Chapter 125–C: Air Pollution Control		
Section 125–C:1	Declaration of Policy and Purpose	Effective July 1, 1979.
Section 125–C:2	Definitions	Effective July 21, 2010.
Section 125–C:4	Rulemaking Authority; Subpoena Power	Effective June 21, 2010.
Section 125–C:6	Powers and Duties of the Commissioner	Effective June 21, 2010.
Section 125–C:8	Administration of Chapter; Delegation of Duties	Effective July 1, 1996.
Section 125–C:9	Authority of the Commissioner in Cases of Emergency	Effective July 1, 1996.
Section 125–C:10	Devices Contributing to Air Pollution	Effective August 9, 1996.
Section 125–C:10-a	Municipal Waste Combustion Units	Effective January 1, 2006.
Section 125–C:11	Permit Required	Effective June 21, 2010.
Section 125–C:12	Administrative Requirements.	Effective June 18, 2012.
Section 125–C:13	Criteria for Denial; Suspension or Revocation; Modification	Effective June 21, 2010.
Section 125–C:14	Rehearings and Appeals	Effective July 1, 1996.
Section 125–C:18	Existing Remedies Unimpaired	Effective July 1, 1979.
Section 125–C:19	Protection of Powers	Effective July 1, 1996.
Section 125–C:21	Severability	Effective August 16, 1981.

[10] By letter dated August 22, 2013, EPA received a petition from the town of Eliot, Maine, requesting that, pursuant to Section 126 of the CAA, a coal fired electric utility in New Hampshire be required to lower its SO_2 emissions. As of this time, EPA is currently evaluating the merits of this petition.

TABLE 1—NEW HAMPSHIRE STATUTES SUBMITTED FOR INCORPORATION INTO THE SIP—Continued

Title X: Public Health Chapter 125–O: Multiple Pollutant Reduction Program		
Section 125–O:1	Findings and Purpose	Effective July 1, 2002.
Section 125–O:3	Integrated Power Plant Strategy	Effective January 1, 2013.

EPA proposes to approve these statutes into the SIP, and also proposes that upon final approval of these statutes into the SIP, New Hampshire will have demonstrated that it has met the infrastructure SIP requirements for this section of 110(a)(2)(E) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

Sub-Element 2: State Board Requirements Under Section 128 of the CAA

Section 110(a)(2)(E) also requires each SIP to contain provisions that comply with the state board requirements of section 128 of the CAA. That provision contains two explicit requirements: (i) That any board or body which approves permits or enforcement orders under this chapter shall have at least a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits and enforcement orders under this chapter, and (ii) that any potential conflicts of interest by members of such board or body or the head of an executive agency with similar powers be adequately disclosed.

Of relevance within New Hampshire, RSA 21–O:11, Air Resources Council, establishes the New Hampshire Air Resources Council, a state board that has the authority to hear enforcement and permit appeals. The Council consists of 11 members, 6 of whom must represent the public interest. Those representing the public interest ''may not derive any significant portion of their income from persons subject to permits or enforcement orders, and may not serve as attorney for, act as consultant for, serve as officer or director of, or hold any other official or contractual relationship with any person subject to permits or enforcement orders.'' New Hampshire RSA 21–0:11 further provides that ''[a]ll potential conflicts of interest shall be adequately disclosed.''

EPA's review of New Hampshire's infrastructure SIP submissions has raised one issue that warrants further evaluation. Section 128(a)(2) requires that a state's SIP provide for adequate disclosure of conflicts of interest by ''members of such board or body or the head of an executive agency with similar powers.'' The use of the disjunctive ''or'' between ''board or body'' and ''head of an executive agency'' results in ambiguity concerning whether merely one or both of these parties must disclose conflicts of interest, and if it is only one of these entities, which one? This ambiguity is relevant in the case of the submission from New Hampshire because under state law included within such submission, only the members of the Air Resources Council are required to disclose conflicts of interest, not the head of the executive agency. In order to determine whether this is sufficient for purposes of meeting the requirements of section 128(a)(2), we have evaluated the statutory language more closely.

First, the term ''or'' can be interpreted as ''one or the other, but not necessarily both,'' or it can be interpreted as ''and.'' Although the word ''or'' could be read to mean ''and'' in some circumstances, we believe that, in this instance, it is appropriate to give the word ''or'' its most straightforward meaning. In isolation, it could seem unreasonable to give ''or'' the first meaning, as that would allow a state to require adequate disclosure of conflict of interest by either the members of the state board or the head of an agency, without regard to whether that disclosure requirement applies to the entity that makes the final permit or enforcement order decision. To read section 128(a)(2) to require disclosure by the entity that is not the actual final decisionmaker appears logically inconsistent and contrary to the overall purposes of section 128. EPA believes that the purpose of section 128(a)(2) is to assure that conflicts of interest are disclosed by the entity making the permit or enforcement order decision, and requiring this of the ultimate decisionmaker rather than other parties that may be involved in the process.

As discussed above, under New Hampshire law pertaining to the Air Resources Council, ''[a]ll potential conflicts of interest shall be adequately disclosed.'' Under the structure of the State's program, the Commissioner makes certain decisions such as the issuance of air permits and enforcement orders. However, under state law these permits and enforcement orders issued by the Commissioner can be appealed to the Air Resources Council in an adjudicative proceeding. RSA 21–O:11, IV; RSA 21–O:14, I. Given this division of authority in the State, we believe that the Air Resources Council is functionally the final decisionmaker with respect to permits and enforcement orders in New Hampshire, and thus the disclosure of conflicts of interest by members of the Council is necessary to meet the requirements of section 128(a)(2). Naturally, a state may elect to require disclosure of conflicts of interest by other state officials and employees as well, and this would be fully consistent with the explicit reservation of authority for states to impose more stringent requirements than those imposed by section 128.

For the foregoing reasons, the EPA believes that New Hampshire's infrastructure SIP submittals contain provisions that meet the requirements of section 128(a)(1) and section 128(a). Accordingly, we are proposing approval of the infrastructure SIP submissions as meeting the requirements of section 128.

New Hampshire submitted RSA 21–O:11, Air Resources Council, for incorporation into the SIP on December 31, 2012, and we are proposing to approve it into the New Hampshire SIP. Upon approval of RSA 21–O:11 into the SIP, EPA proposes that New Hampshire has met the applicable infrastructure SIP requirements for this section of 110(a)(2)(E) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS. In addition, EPA previously issued a conditional approval to New Hampshire for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS. See 77 FR 63228. This conditional approval occurred prior to New Hampshire's SIP submittal of RSA 21–0:11 to EPA, which occurred on December 31, 2012. Given that New Hampshire has now addressed this issue, we are also proposing to convert the prior conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS (see 77 FR 63228) to full approval.

F. Section 110(a)(2)(F)—Stationary Source Monitoring System

States must establish a system to monitor emissions from stationary sources and submit periodic emissions reports. Each plan shall also require the

installation, maintenance, and replacement of equipment, and the implementation of other necessary steps, by owners or operators of stationary sources to monitor emissions from such sources. The state plan shall also require periodic reports on the nature and amounts of emissions and emissions-related data from such sources, and correlation of such reports by each state agency with any emission limitations or standards established pursuant to this chapter. Lastly, the reports shall be available at reasonable times for public inspection.

New Hampshire RSA 125–C:6, Powers and Duties of the Commissioner, authorizes the Commissioner of NH–DES to require the installation, maintenance, and use of emissions monitoring devices and to require periodic reporting to the Commissioner of the nature and extent of the emissions. This authority also enables the Commissioner to correlate this information to any applicable emissions standard and to make such information available to the public. NH–DES implements Chapter Env-A 800, Testing and Monitoring Procedures, and Chapter Env-A 900, Owner or Operator Recordkeeping and Reporting Obligations, as the primary means of fulfilling these obligations. New Hampshire's Chapters Env-A 800 and 900 have been approved into the SIP (See 77 FR 66388; November 5, 2012). Additionally, under RSA 125–C:6, VII, and Env-A 103.04, emissions data are not considered confidential information. EPA recognizes that New Hampshire routinely collects information on air emissions from its industrial sources and makes this information available to the public. EPA, therefore, proposes that New Hampshire has met the infrastructure SIP requirements of section 110(a)(2)(F) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

G. Section 110(a)(2)(G)—Emergency Powers

This section requires that a plan provide for authority that is analogous to what is provided in section 303 of the CAA, and adequate contingency plans to implement such authority. Section 303 of the CAA provides authority to the EPA Administrator to seek a court order to restrain any source from causing or contributing to emissions that present an ''imminent and substantial endangerment to public health or welfare, or the environment.'' Section 303 further authorizes the Administrator to issue ''such orders as may be necessary to protect public health or welfare or the environment'' in the event that ''it is not practicable to assure prompt protection . . . by commencement of such civil action.''

We propose to find that New Hampshire's submittals and certain state statutes provide for authority comparable to that in section 303. New Hampshire's submittals specify that RSA 125–C:9, Authority of the Commissioner in Cases of Emergency, authorizes the Commissioner of NH–DES, with the consent of the Governor and Air Resources Council, to issue an order requiring actions to be taken as the Commissioner deems necessary to address an air pollution emergency. Such orders are effective immediately upon issuance. We note also that RSA 125–C:15, I, provides that, ''[u]pon a finding by the commissioner that there is an imminent and substantial endangerment to the public health or welfare or the environment, the commissioner shall issue an order of abatement requiring immediate compliance and said order shall be final and enforceable upon issuance, but may be appealed to the council within 30 days of its issuance, and the council may, after hearing, uphold, modify, or abrogate said order.'' With regard to the authority to bring suit, RSA 125–C:15, II, further provides that violation of such an order ''shall be subject to enforcement by injunction, including mandatory injunction, issued by the superior court upon application of the attorney general.''

Furthermore, New Hampshire has broad statutory authority (see RSA 125–C:9, Authority of the Commissioner in Cases of Emergency) to address activities causing imminent and substantial endangerment to public health; however, New Hampshire does not have regulations that specifically address all the 40 CFR part 51 subpart H requirements. New Hampshire does, however, as a matter of practice, post on the internet daily forecasted ozone levels through the EPA AIRNOW and EPA ENVIROFLASH systems. Information regarding these two systems is available on EPA's Web site at *www.airnow.gov.* Notices are sent out to ENVIROFLASH participants when levels are forecast to exceed the current 8-hour ozone standard. In addition, when levels are expected to exceed the ozone standard in New Hampshire, the media are alerted via a press release, and the National Weather Service (NWS) is alerted to issue an Air Quality Advisory through the normal NWS weather alert system. These actions are similar to the notification and communication requirements of 40 CFR 51.152.

Section 110(a)(2)(G) also requires that, for any NAAQS, except lead, New Hampshire have an approved contingency plan for any Air Quality Control Region (AQCR) within the state that is classified as Priority I, IA, or II. A contingency plan is not required if the entire state is classified as Priority III for a particular pollutant. See 40 CFR part 51 subpart H. Classifications for all pollutants for AQCRs in New Hampshire can be found at 40 CFR 52.1521. The entire state of New Hampshire is classified as Priority III for ozone, nitrogen dioxide, and carbon monoxide.

With regard to ozone, however, we note that New Hampshire's December 31, 2012 infrastructure SIP submittal for the 2008 ozone NAAQS contends that it is a Priority I region for ozone, although as mentioned above each AQCR in the state is listed as Priority III for ozone within 40 CFR 52.1521. New Hampshire's submittal cites air quality monitoring data to substantiate its view.

EPA's last update to the priority classifications for New Hampshire occurred in 1972. See 37 FR 10879, May 31, 1972. As noted above, New Hampshire's submittal, and a supplement to that submittal made on May 21, 2015, cite more recent ozone air quality data. This information indicates that the proper ozone classification for the New Hampshire portion of the Merrimack Valley—Southern New Hampshire Interstate AQCR would be Priority I. Therefore, we are proposing to revise New Hampshire's priority classification for the Merrimack Valley—Southern New Hampshire Interstate AQCR from Priority III to Priority I for ozone. This reclassification triggers the contingency plan obligation requirement of 40 CFR 51.151, but New Hampshire's submittal requests, pursuant to 40 CFR 51.152(d)(1), an exemption from the contingency plan obligation because the state is designated as unclassifiable/attainment for the 2008 ozone standard. In accordance with 40 CFR 51.152(d), we are proposing to grant New Hampshire's request for an exemption from the contingency obligation in light of the state being designated as unclassifiable/attainment for the 2008 ozone NAAQS. See 40 CFR 81.330. Additionally, as documented within the state's submittal, we note that recent air monitoring data have not come close to the significant harm level for ozone of 0.6 parts per million (ppm) on a 2-hour average, and the state has only exceeded 0.1 ppm on three occasions in the 2012–2014 timeframe. See 40 CFR 51.151.

Regarding SO_2, the Androscoggin Valley Interstate AQCR is classified as

Priority IA, the Merrimack Valley-Southern New Hampshire Interstate AQCR is classified as Priority I, and the Central New Hampshire Interstate AQCR is classified as Priority III. However, these classifications were made in 1972 when SO_2 emissions in New Hampshire were significantly higher than they are today. As emission levels change, states are encouraged to periodically evaluate the priority classifications and propose changes to the classifications based on the three most recent years of air quality data. See 40 CFR 51.153.

In its September 13, 2013 infrastructure SIP submittal for the 2010 SO_2 NAAQS, New Hampshire provided air quality data for SO_2 from 2005–2012. New Hampshire supplemented this with more recent data in a letter dated May 21, 2015. In this letter, New Hampshire requested the entire state be re-classified as Priority III for SO_2 based on the air quality data from 2012–2014. New Hampshire's SO_2 monitoring program is focused on the more populous and more industrial southern portion of the state represented by the Merrimack Valley—Southern New Hampshire area, and there are currently no SO_2 monitors in the more northerly Central New Hampshire Intrastate and Androscoggin Valley Interstate AQCRs. EPA has reviewed the SO_2 monitoring data, which the state has certified, and agrees that the SO_2 levels are significantly below the threshold of a Priority I, IA, or II level.

The Public Service Company of New Hampshire's (PSNH's) Merrimack Station, a large coal-fired electric utility located in Bow, has historically been the largest SO_2 emitter in the Merrimack Valley—Southern New Hampshire AQCR, and also in the state, by a wide margin. By 2012, however, the facility had installed and begun operating an air pollution control device for this pollutant. In 2011, the last year that Merrimack Station's SO_2 emissions were essentially uncontrolled, the facility emitted 22,393 tons of SO_2. For context, the next largest SO_2 emitter that year in the entire state was PSNH's Schiller Station, which emitted 1,708 tons of SO_2. The requirement for operation of SO_2 controls at Merrimack Station are contained within Permit TP–0008. This permit was submitted to EPA and we have approved it into the SIP. See 77 FR 50602, August 22, 2012. Since installation of the control equipment, Merrimack Station's SO_2 emissions have fallen considerably, registering 1,004 tons in 2012, and 1,400 tons in 2013, and 1,044 tons in 2014. The ambient SO_2 air monitoring data submitted by NH–DES within their May 21, 2015 correspondence for the years 2012–2014 have also declined considerably when compared to data recorded for prior time periods.

As mentioned above, New Hampshire's SO_2 monitoring network is focused on the more populous and more industrial southern part of the state represented by the Merrimack Valley—Southern New Hampshire AQCR. Based on our review of the monitoring data for this area, we propose to reclassify the New Hampshire portion of the Merrimack Valley—Southern New Hampshire Interstate AQCR to Priority III for SO_2. The more northerly AQCRs are much less likely to experience high SO_2 levels due to their lower population and lesser industrial base, and based on the low amounts of SO_2 emitted by sources in these areas. For example, the most recent 3 year cycle emissions inventory data contained within EPA's National Emissions Inventory database is for 2011, and for New Hampshire the data indicate that approximately 95% of the state's SO_2 emissions occur in the counties within the Merrimack Valley—Southern New Hampshire AQCR. Given that the monitoring data in the New Hampshire portion of the Merrimack Valley—Southern New Hampshire AQCR indicate that the appropriate classification for this region is Priority III, and given that the preponderance of SO_2 emissions occur in this region, we also propose to grant New Hampshire's request that the state's portion of the Androscoggin Valley Interstate AQCR also be reclassified to Priority III for SO_2. Accordingly, a contingency plan for SO_2 is not required. See 40 CFR 51.152(c).

EPA proposes that New Hampshire has met the applicable infrastructure SIP requirements for this portion of section 110(a)(2)(G) with respect to the 2008 Pb NAAQS, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

H. Section 110(a)(2)(H)—Future SIP Revisions

This section requires states to have the authority to revise their SIPs in response to changes in the NAAQS, availability of improved methods for attaining the NAAQS, or an EPA finding that the SIP is substantially inadequate.

New Hampshire RSA 125–C:6, Powers and Duties of the Commissioner, provides that the Commissioner of NH–DES may develop a comprehensive program and provide services for the study, prevention, and abatement of air pollution. Additionally, Chapter Env-A 200, Procedural Rules, which was approved into the New Hampshire SIP on October 28, 2002 (see 67 FR 65710) provides for public hearings for SIP revision requests prior to their submittal to EPA. EPA proposes that New Hampshire has met the infrastructure SIP requirements of CAA section 110(a)(2)(H) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

I. Section 110(a)(2)(I)—Nonattainment Area Plan or Plan Revisions Under Part D

The CAA requires that each plan or plan revision for an area designated as a nonattainment area meet the applicable requirements of part D of the CAA. Part D relates to nonattainment areas. EPA has determined that section 110(a)(2)(I) is not applicable to the infrastructure SIP process. Instead, EPA takes action on part D attainment plans through separate processes.

J. Section 110(a)(2)(J)—Consultation with Government Officials; Public Notifications; PSD; Visibility Protection

The evaluation of the submissions from New Hampshire with respect to the requirements of CAA section 110(a)(2)(J) are described below.

i. Sub-Element 1: Consultation With Government Officials

States must provide a process for consultation with local governments and Federal Land Managers (FLMs) carrying out NAAQS implementation requirements.

New Hampshire RSA 125–C:6 Powers and Duties of the Commissioner, authorizes the Commissioner of NH–DES to advise, consult, and cooperate with the cities, towns, and other agencies of the state and federal government, interstate agencies, and other groups or agencies in matters relating to air quality. Additionally, RSA 125–C:6 enables the Commissioner to coordinate and regulate the air pollution control programs of political subdivisions to plan and implement programs for the control and abatement of air pollution. Furthermore, New Hampshire regulations at Part Env-A 621 direct NH DES to notify town officials, regional planning agencies, and FLMs, among others, of the receipt of certain permit applications and the NH DES' preliminary determination to issue, amend, or deny such permits. Therefore, EPA proposes that New Hampshire has met the infrastructure SIP requirements of this portion of section 110(a)(2)(J) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

ii. Sub-Element 2: Public Notification

Section 110(a)(2)(J) also requires states to notify the public if NAAQS are

exceeded in an area and must enhance public awareness of measures that can be taken to prevent exceedances.

As part of the fulfillment of RSA 125–C:6, Powers and Duties of the Commissioner, New Hampshire issues press releases and posts warnings on its Web site advising people what they can do to help prevent NAAQS exceedances and avoid adverse health effects on poor air quality days. New Hampshire is also an active partner in EPA's AIRNOW and Enviroflash air quality alert programs. EPA proposes that New Hampshire has met the infrastructure SIP requirements of this portion of section 110(a)(2)(J) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

iii. Sub-Element 3: PSD

States must meet applicable requirements of section 110(a)(2)(C) related to PSD. New Hampshire's PSD program in the context of infrastructure SIPs has already been discussed in the paragraphs addressing section 110(a)(2)(C) and 110(a)(2)(D)(i)(II), and EPA notes that the proposed actions for those sections are consistent with the proposed actions for this portion of section 110(a)(2)(J). Our proposed actions are reiterated below.

New Hampshire's PSD regulations are consistent with the EPA's requirements regarding this sub-element with the exception of the notification to neighboring states provision. Therefore, we are proposing that New Hampshire has met the applicable infrastructure SIP requirements for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS as they relate to the requirements obligated by EPA's PSD regulations, with the exception of the notification to neighboring states provision, for which we are proposing a conditional approval. In addition, EPA previously issued a conditional approval to New Hampshire for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS. See 77 FR 63228, October 16, 2012. This conditional approval occurred prior to New Hampshire's submittal of its November 15, 2012 PSD program SIP revision. Given that we have now proposed approval of New Hampshire's SIP revision with respect to the 2008 and 2010 NSR rules, we are also proposing to convert the prior conditional approval for this infrastructure requirement for the 1997 and 2006 $PM_{2.5}$ NAAQS to approval. However, in this action we are also proposing to conditionally approve this sub-element for the 1997 and 2006 $PM_{2.5}$ NAAQS with respect to the notification to neighboring states issue previously mentioned.

iv. Sub-Element 4: Visibility Protection

With regard to the applicable requirements for visibility protection, states are subject to visibility and regional haze program requirements under part C of the CAA (which includes sections 169A and 169B). In the event of the establishment of a new NAAQS, however, the visibility and regional haze program requirements under part C do not change. Thus, we find that there is no new visibility obligation ''triggered'' under section 110(a)(2)(J) when a new NAAQS becomes effective. In other words, the visibility protection requirements of section 110(a)(2)(J) are not germane to infrastructure SIPs for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

K. Section 110(a)(2)(K)—Air Quality Modeling/Data

To satisfy element K, the state air agency must demonstrate that it has the authority to perform air quality modeling to predict effects on air quality of emissions of any NAAQS pollutant and submission of such data to EPA upon request.

Pursuant to the authority granted to the Commissioner of NH–DES in RSA 125–C:6, New Hampshire reviews the potential impact of major sources consistent with 40 CFR part 51, appendix W, ''Guidelines on Air Quality Models.'' The modeling data are sent to EPA along with the draft major permit. For non-major sources, Part Env–A 606, Air Pollution Dispersion Modeling Impact Analysis Requirements, specifies the air pollution dispersion modeling impact analysis requirements that apply to owners and operators of certain sources and devices in order to demonstrate compliance with the New Hampshire State Implementation Plan, RSA 125–C, RSA 125–I, and any rules adopted thereunder. The state also collaborates with the Ozone Transport Commission (OTC), the Mid-Atlantic Regional Air Management Association, and EPA in order to perform large scale urban airshed modeling. EPA proposes that New Hampshire has met the infrastructure SIP requirements of section 110(a)(2)(K) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

L. Section 110(a)(2)(L)—Permitting Fees

This section requires SIPs to mandate that each major stationary source pay permitting fees to cover the cost of reviewing, approving, implementing, and enforcing a permit.

New Hampshire implements and operates the Title V permit program, which EPA approved on September 24, 2001. See 66 FR 48806. Chapter Env–A 700, Permit Fee System, establishes a fee system requiring the payment of fees to cover the costs of: Reviewing and acting upon applications for the issuance of, amendment to, modification to, or renewal of a temporary permit, state permit to operate, or Title V operating permit; implementing and enforcing the terms and conditions of these permits; and developing, implementing, and administering the Title V operating permit program. In addition, Part Env–A 705 establishes the emission-based fee program for Title V and non-Title V sources. EPA proposes that New Hampshire has met the infrastructure SIP requirements of section 110(a)(2)(L) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

M. Section 110(a)(2)(M)—Consultation/Participation by Affected Local Entities

Pursuant to element M, states must consult with, and allow participation from, local political subdivisions affected by the SIP.

As previously mentioned, Chapter Env–A 200, Part Env–A 204 provides a public participation process for all stakeholders that includes a minimum of a 30-day comment period and an opportunity for public hearing for all SIP-related actions. Additionally, RSA 125–C:6, Powers and Duties of the Commissioner, provides that the Commissioner shall consult with the cities, towns, other agencies of the state and federal government, interstate agencies, and other affected agencies or groups in matters relating to air quality. EPA proposes that New Hampshire has met the infrastructure SIP requirements of section 110(a)(2)(M) with respect to the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS.

V. What action is EPA taking?

EPA is proposing to approve SIP submissions from New Hampshire certifying that its current SIP is sufficient to meet the required infrastructure elements under sections 110(a)(1) and (2) for the 2008 Pb, 2008 ozone, 2010 NO_2, and 2010 SO_2 NAAQS, with the exception of certain aspects relating to PSD which we are proposing to conditionally approve. EPA's proposed actions regarding these infrastructure SIP requirements are contained in Table 2 below.

TABLE 2—PROPOSED ACTION ON NH INFRASTRUCTURE SIP SUBMITTALS FOR VARIOUS NAAQS

Element	2008 Pb	2008 Ozone	2010 NO_2	2010 SO_2
(A): Emission limits and other control measures	A	A	A	A
(B): Ambient air quality monitoring and data system	A	A	A	A
(C)(i): Enforcement of SIP measures	A	A	A	A
(C)(ii): PSD program for major sources and major modifications	A*	A*	A*	A*
(C)(iii): Permitting program for minor sources and minor modifications	A	A	A	A
(D)(i)(I): Contribute to nonattainment/interfere with maintenance of NAAQS (prongs 1 and 2)	A	NS	NS	NS
(D)(i)(II): PSD (prong 3)	A*	A*	A*	A*
(D)(i)(II): Visibility Protection (prong 4)	A	A	A	A
(D)(ii): Interstate Pollution Abatement	A*	A*	A*	A*
(D)(ii): International Pollution Abatement	A	A	A	A
(E)(i): Adequate resources	A	A	A	A
(E)(ii): State boards	A	A	A	A
(E)(iii): Necessary assurances with respect to local agencies	NA	NA	NA	NA
(F): Stationary source monitoring system	A	A	A	A
(G): Emergency power	A	A	A	A
(H): Future SIP revisions	A	A	A	A
(I): Nonattainment area plan or plan revisions under part D	+	+	+	+
(J)(i): Consultation with government officials	A	A	A	A
(J)(ii): Public notification	A	A	A	A
(J)(iii): PSD	A*	A*	A*	A*
(J)(iv): Visibility protection	+	+	+	+
(K): Air quality modeling and data	A	A	A	A
(L): Permitting fees	A	A	A	A
(M): Consultation and participation by affected local entities	A	A	A	A

In the above table, the key is as follows:

A	Approve
A*	Approve, but conditionally approve aspect of PSD program relating to notification to neighboring states
+	Not germane to infrastructure SIPs
NS	No Submittal
NA	Not applicable

Also, with respect to the 1997 and 2006 $PM_{2.5}$ NAAQS, EPA is proposing to approve that New Hampshire has met the infrastructure SIP requirements pertaining to elements (A) and (E)(ii), and the PSD elements (C)(ii), (D)(i)(II)(prong 3), and (J)(iii) for which a conditional approval was previously issued. See 77 FR 63228. As discussed in detail above, New Hampshire has since met the conditions outlined in that action. Furthermore, in keeping with our recently proposed conditional approval of the New Hampshire PSD program with respect to the requirement that neighboring states be notified of the issuance of a PSD permit by New Hampshire DES (80 FR 22957), we are also proposing a conditional approval for elements (C)(ii), (D)(i)(II)(prong 3) and (J)(iii) for the 1997 and 2006 $PM_{2.5}$ NAAQS, with respect to the requirement to notify neighboring states.

In addition, we are proposing to incorporate into the New Hampshire SIP the following New Hampshire statutes which were included for approval in New Hampshire's infrastructure SIP submittals:

Title I, The State and Its Government, Chapter 21–O: Department of Environmental Services, Section 21–O:11, Air Resources Council.

Title X Public Health, Chapter 125–C Air Pollution Control, Section 125–C:1—Declaration of Policy and Purpose; Section 125–C:2—Definitions; Section 125–C:4—Rulemaking Authority; Subpoena Power; Section 125–C:6—Powers and Duties of the Commissioner; Section 125–C:8—Administration of Chapter; Delegation of Duties; Section 125–C:9—Authority of the Commissioner in Cases of Emergency; Section 125–C:10—Devices Contributing to Air Pollution; Section 125–C:10a—Municipal Waste Combustion Units; Section 125–C:11—Permit Required; Section 125–C:12—Administrative Requirements; Section 125–C:13—Criteria for Denial; Suspension or Revocation; Modification; Section 125–C:14—Rehearings and Appeals; Section 125–C:18—Existing Remedies Unimpaired; Section 125–C:19—Protection of Powers; and Section 125–C:21—Severability.

Title X Public Health, Chapter 125–O: Multiple Pollutant Reduction Program, Section 125–O:1—Findings and Purpose; and Section 125–O:3—Integrated Power Plant Strategy.

Additionally, we are proposing to update the 40 CFR 52.1521 classifications for several of New Hampshire's air quality control regions for ozone and sulfur dioxide based on recent air quality monitoring data collected by the state, and to grant the state's request for an exemption from the infrastructure SIP contingency plan obligation for ozone.

As noted in Table 2, we are proposing to conditionally approve one portion of New Hampshire's infrastructure SIP submittals pertaining to the state's PSD program. The outstanding issues with the PSD program concern the lack of a requirement that neighboring states be notified of the issuance of a PSD permit by the New Hampshire Department of Environmental Services. For this reason, EPA is proposing to conditionally approve this portion of New Hampshire's infrastructure SIP revisions for the 2008 lead, 2008 ozone, 2010 NO_2, 2010 SO_2, and the 1997 and 2006 $PM_{2.5}$ NAAQS, consistent with our proposed conditional approval of New Hampshire's PSD program published in the **Federal Register** on April 24, 2015. See 80 FR 22957.

Under section 110(k)(4) of the Act, EPA may conditionally approve a plan based on a commitment from the State to adopt specific enforceable measures by a date certain, but not later than 1 year from the date of approval. If EPA conditionally approves the commitment in a final rulemaking action, the State must meet its commitment to submit an update to its PSD program that fully remedies the lack of notification requirement mentioned above. If the State fails to do so, this action will become a disapproval one year from the

date of final approval. EPA will notify the State by letter that this action has occurred. At that time, this commitment will no longer be a part of the approved New Hampshire SIP. EPA subsequently will publish a document in the **Federal Register** notifying the public that the conditional approval automatically converted to a disapproval. If the State meets its commitment, within the applicable time frame, the conditionally approved submission will remain a part of the SIP until EPA takes final action approving or disapproving the new submittal. If EPA disapproves the new submittal, the conditionally approved infrastructure SIP elements will also be disapproved at that time. In addition, a final disapproval would trigger the Federal Implementation Plan (FIP) requirement under section 110(c). If EPA approves the new submittal, the PSD program and relevant infrastructure SIP elements will be fully approved and replace the conditionally approved program in the SIP.

EPA is soliciting public comments on the issues discussed in this proposal or on other relevant matters. These comments will be considered before EPA takes final action. Interested parties may participate in the Federal rulemaking procedure by submitting written comments to the EPA New England Regional Office listed in the **ADDRESSES** section of this **Federal Register**, or by submitting comments electronically, by mail, or through hand delivery/courier following the directions in the **ADDRESSES** section of this **Federal Register**.

VI. Incorporation by Reference

In this rulemaking, the EPA is proposing to include in a final EPA rule regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, the EPA is proposing to incorporate by reference into the New Hampshire SIP the statutes identified within Table 1 of this proposal. The EPA has made, and will continue to make, these documents generally available electronically through *www.regulations.gov* and/or in hard copy at the appropriate EPA office (see the **ADDRESSES** section of this preamble for more information).

VII. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the Clean Air Act. Accordingly, this proposed action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this proposed action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Sulfur Oxides, Reporting and recordkeeping requirements.

Dated: July 1, 2015.

H. Curtis Spalding,

Regional Administrator, EPA New England.

[FR Doc. 2015–17475 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R03–OAR–2015–0404; FRL–9930–61–Region 3]

Approval and Promulgation of Air Quality Implementation Plans; Maryland; Adoption of Control Techniques Guidelines for Metal Furniture Coatings and Miscellaneous Metal Parts Coatings

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a State Implementation Plan (SIP) revision submitted by the State of Maryland (Maryland). This revision includes amendments to Maryland's regulation for the control of volatile organic compounds (VOC) and meets the requirement to adopt reasonably available control technology (RACT) for sources covered by EPA's Control Techniques Guidelines (CTG) standards for coatings for metal furniture and miscellaneous metal parts. These amendments will reduce emissions of VOC from these source categories and help Maryland attain and maintain the national ambient air quality standard (NAAQS) for ozone. This action is being taken under the Clean Air Act (CAA).

DATES: Written comments must be received on or before August 17, 2015.

ADDRESSES: Submit your comments, identified by Docket ID Number EPA–R03–OAR–2015–0404 by one of the following methods:

A. *www.regulations.gov.* Follow the on-line instructions for submitting comments.

B. *Email: fernandez.cristina@epa.gov.*

C. *Mail:* EPA–R03–OAR–2015–0404, Cristina Fernandez, Associate Director, Office of Air Program Planning, Mailcode 3AP30, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103.

D. *Hand Delivery:* At the previously-listed EPA Region III address. Such

deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA–R03–OAR–2015–0404. EPA's policy is that all comments received will be included in the public docket without change, and may be made available online at *www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI, or otherwise protected, through *www.regulations.gov* or email. The *www.regulations.gov* Web site is an ''anonymous access'' system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through *www.regulations.gov,* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the electronic docket are listed in the *www.regulations.gov* index. Although listed in the index, some information is not publicly available, *i.e.,* CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically in *www.regulations.gov* or in hard copy during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. Copies of the State submittal are available at the Maryland Department of the Environment, 1800 Washington Boulevard, Suite 705, Baltimore, Maryland 21230.

FOR FURTHER INFORMATION CONTACT: Ellen Schmitt, (215) 814–5787, or by email at *schmitt.ellen@epa.gov.*

SUPPLEMENTARY INFORMATION: On July 28, 2014, the State of Maryland through the Maryland Department of the Environment (MDE) submitted a revision to its SIP concerning the adoption of the coating standards located in the Metal Furniture Coatings and the Miscellaneous Metal and Plastic Parts Coatings CTGs.

I. Background

Section 172(c)(1) of the CAA provides that SIPs for nonattainment areas must include reasonably available control measures (RACM), including RACT for sources of emissions. Section 182(b)(2)(A) provides that for certain nonattainment areas, states must revise their SIPs to include RACT for sources of VOC emissions covered by a CTG document issued after November 15, 1990 and prior to the area's date of attainment.

In developing these CTGs, EPA, among other things, evaluates the sources of VOC emissions from these categories, and the available control approaches for addressing these categories, including the cost of such approaches. Based on available information and data, EPA provides recommendations for RACT for VOC from these categories. States can follow the CTGs and adopt state regulations to implement the recommendations contained therein, or they can adopt alternative approaches. In either case, states must submit their RACT rules to EPA for review and approval as part of the SIP process. EPA will evaluate the rules and determine, through notice and comment rulemaking in the SIP approval process, whether the submitted rules meet the RACT requirements of the CAA and EPA's regulations.

In September 2007, EPA published a new CTG for Metal Furniture Coatings (EPA–453/R–07–005), and in September 2008, EPA published a new CTG for Miscellaneous Metal and Plastic Parts Coatings (EPA–453/R–08–003). These CTGs discuss the nature of VOC emissions from these industries, the available control technologies for addressing such emissions, the cost of available control options, and other information. EPA developed new CTGs for these industries after reviewing existing state and local VOC emission reduction approaches, new source performance standards (NSPS), previously issued CTGs, and national emission standards for hazardous air pollutants (NESHAP) for these source categories.

A. Metal Furniture Coatings

Metal furniture coatings include the coatings that are applied to the surfaces of metal furniture. A metal furniture substrate is the furniture or components of furniture constructed either entirely or partially from metal. Metal furniture includes, but is not limited to, the following types of products: Household, office, institutional, laboratory, hospital, public building, restaurant, barber and beauty shop, and dental furniture, as well as components of these products. Metal furniture also includes office and store fixtures, partitions, shelving, lockers, lamps and lighting fixtures, and wastebaskets. Metal furniture coatings include paints and adhesives and are typically applied without a primer. Higher solids and powder coatings are used extensively in the metal furniture surface coating industry. Metal furniture coatings provide a covering, finish, or functional or protective layer, and can also provide a decorative finish to metal furniture.

B. Miscellaneous Metal Parts Coatings

Miscellaneous metal parts surface coating categories include the coatings that are applied to the surfaces of a varied range of metal parts and products. These parts or products are constructed either entirely or partially from metal. They include, but are not limited to, metal components of the following types of products as well as the products themselves: Fabricated metal products, small and large farm machinery, commercial and industrial machinery and equipment, automotive or transportation equipment, interior or exterior automotive parts, construction equipment, motor vehicle accessories, bicycles and sporting goods, toys, recreational vehicles, pleasure craft (recreational boats), extruded aluminum structural components, railroad cars, heavier vehicles,[1] lawn and garden equipment, business machines, laboratory and medical equipment, electronic equipment, steel drums, metal pipes, and numerous other industrial and household products (hereinafter collectively referred to as ''miscellaneous metal parts.'') The CTG applies to manufacturers of miscellaneous metal parts that surface-coat the parts they produce. Miscellaneous metal parts coatings do not include coatings that are a part of other product categories listed under section 183(e) of the CAA for which

[1] Heavier vehicles includes all vehicles that meet the definition of the term ''other motor vehicles,'' as defined in the National Emission Standards for Surface Coating of Automobile and Light-Duty Trucks at 40 CFR 63.3176.

CTGs have been published or coatings addressed by other CTGs.

II. Summary of SIP Revision

On July 28, 2014, MDE submitted to EPA a SIP revision (#14–02) concerning the adoption of the emission limits for metal furniture coatings found in the Metal Furniture Coatings CTG and miscellaneous metal parts coatings found in the Miscellaneous Metal and Plastic Parts Coatings CTG.[2] Maryland has adopted EPA's CTG standards for metal furniture and miscellaneous metal parts coating processes by amending Regulation .08 under COMAR 26.11.19, Volatile Organic Compounds from Specific Sources. Specifically, this revision amends the existing regulation in section 26.11.19.08 by adding coating standards for both metal furniture and miscellaneous metal parts that are either equal to or more stringent than the coating standards found in EPA's CTGs. Additionally, new definitions and application methods were added to COMAR section 26.11.19.08. Tables 1 and 2 outline the emissions standards adopted by Maryland for metal furniture coatings and miscellaneous metal parts coatings. A detailed summary of EPA's review of and rationale for proposing to approve this SIP revision may be found in the Technical Support Document (TSD) for this action which is available online at *regulations.gov*, Docket number EPA–R03–OAR–2015–0404.

TABLE 1—METAL FURNITURE COATING VOC CONTENT LIMITS—VOC CONTENT LIMITS ARE EXPRESSED AS MASS (KILOGRAM (KG) OR POUND (LB)) PER VOLUME (LITER (L)) OF COATING LESS WATER AND EXEMPT COMPOUNDS, AS APPLIED

Coating	Air-dried		Baked	
	kg VOC/l coating	lb VOC/l coating	kg VOC/l coating	lb VOC/l coating
Extreme high gloss	0.340	2.8	0.360	3.0
Extreme performance	0.420	3.5	0.360	3.0
General, multi-component	0.340	2.8	0.275	2.3
General, one-component	0.275	2.3	0.275	2.3
Metallic	0.420	3.5	0.420	3.5
Pretreatment	0.420	3.5	0.420	3.5
Solar absorbent	0.420	3.5	0.360	3.0

TABLE 2—MISCELLANEOUS METAL PARTS COATING VOC CONTENT LIMITS—VOC CONTENT LIMITS ARE EXPRESSED AS MASS (KILOGRAM (KG) OR POUND (LB)) PER VOLUME (LITER (L)) OF COATING LESS WATER AND EXEMPT COMPOUNDS, AS APPLIED

Coating	Air-dried		Baked	
	kg VOC/l coating	lb VOC/l coating	kg VOC/l coating	lb VOC/l coating
Adhesion promoter	0.479	4.0	0.479	4.0
Camouflage	0.340	2.8	0.420	3.5
Electric insulating varnish	0.340	2.8	0.420	3.5
Etching filler	0.340	2.8	0.420	3.5
Extreme high-gloss	0.420	3.5	0.360	3.0
Extreme performance	0.420	3.5	0.360	3.0
General, multi-component	0.340	2.8	0.275	2.3
General, one-component	0.340	2.8	0.275	2.3
Heat-resistant	0.420	3.5	0.360	3.0
High performance architectural	0.420	3.5	0.360	3.0
High temperature	0.340	2.8	0.420	3.5
Military specification	0.340	2.8	0.280	2.3
Metallic	0.340	2.8	0.420	3.5
Mold-seal	0.340	2.8	0.420	3.5
Pan backing	0.340	2.8	0.420	3.5
Prefabricated architectural multi-component	0.420	3.5	0.280	2.3
Prefabricated architectural one-component	0.420	3.5	0.280	2.3
Pretreatment	0.340	2.8	0.420	3.5
Repair coating	0.420	3.5	0.360	3.0
Silicone release	0.340	2.8	0.420	3.5
Solar absorbent	0.420	3.5	0.360	3.0
Touch up coating	0.420	3.5	0.360	3.0
Vacuum-metalizing	0.340	2.8	0.420	3.5

III. Proposed Action

EPA is proposing to approve the State of Maryland's SIP revision submitted on July 28, 2014, adopting the requirements of EPA's CTGs for the coating of metal furniture and miscellaneous metal parts, as RACT for these source categories. EPA is soliciting public comments on the issues discussed in this document. These comments will be considered before taking final action.

[2] Maryland previously submitted, and EPA subsequently approved, a SIP revision to meet the requirements to adopt RACT for plastic part coatings covered by the CTG for Miscellaneous Metal and Plastic Parts Coatings. *See* 76 FR 64020 (October 17, 2011).

IV. Incorporation by Reference

In this proposed rulemaking action, the EPA is proposing to include in a final EPA rule, regulatory text that includes incorporation by reference. In accordance with requirements of 1 CFR 51.5, the EPA is proposing to incorporate by reference the MDE rules regarding control of VOC emissions from metal furniture and miscellaneous metal parts coatings as described as section II of this proposed action. The EPA has made, and will continue to make, these documents generally available electronically through *www.regulations.gov* and/or in hard copy at the appropriate EPA office (see the **ADDRESSES** section of this preamble for more information).

V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this proposed action:

- Is not a ''significant regulatory action'' subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this proposed rule, pertaining to Maryland's adoption of CTG recommendations for metal furniture and miscellaneous metal parts coatings does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: July 7, 2015.

William C. Early,

Acting, Regional Administrator, Region III.

[FR Doc. 2015–17470 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 174

[EPA–HQ–OPP–2015–0032; FRL–9929–13]

Receipt of Several Pesticide Petitions Filed for Residues of Pesticide Chemicals in or on Various Commodities

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of filing of petitions and request for comment.

SUMMARY: This document announces the Agency's receipt of several initial filings of pesticide petitions requesting the establishment or modification of regulations for residues of pesticide chemicals in or on various commodities.

DATES: Comments must be received on or before August 17, 2015.

ADDRESSES: Submit your comments, identified by docket identification (ID) number and the pesticide petition number (PP) of interest as shown in the body of this document, by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), (28221T), 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at *http://www.epa.gov/dockets/contacts.html.*

Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Susan Lewis, Director, Registration Division (RD) (7505P), main telephone number: (703) 305–7090; email address: *RDFRNotices@epa.gov,* Robert McNally, Director, Biopesticide and Pollution Prevention Division (BPPD), main telephone number: (703) 305–7090; email address: *BPPDFRNotices@epa.gov.* The mailing address for each contact person is: Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001. As part of the mailing address, include the contact person's name, division, and mail code. The division to contact is listed at the end of each pesticide petition summary.

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this Action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

If you have any questions regarding the applicability of this action to a particular entity, consult the person listed under **FOR FURTHER INFORMATION CONTACT** for the division listed at the

end of the pesticide petition summary of interest.

B. What should I consider as I prepare my comments for EPA?

1. *Submitting CBI.* Do not submit this information to EPA through regulations.gov or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD–ROM that you mail to EPA, mark the outside of the disk or CD–ROM as CBI and then identify electronically within the disk or CD–ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for preparing your comments.* When preparing and submitting your comments, see the commenting tips at *http://www.epa.gov/dockets/comments.html.*

3. *Environmental justice.* EPA seeks to achieve environmental justice, the fair treatment and meaningful involvement of any group, including minority and/or low-income populations, in the development, implementation, and enforcement of environmental laws, regulations, and policies. To help address potential environmental justice issues, the Agency seeks information on any groups or segments of the population who, as a result of their location, cultural practices, or other factors, may have atypical or disproportionately high and adverse human health impacts or environmental effects from exposure to the pesticides discussed in this document, compared to the general population.

II. What Action is the agency taking?

EPA is announcing its receipt of several pesticide petitions filed under section 408 of the Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 346a, requesting the establishment or modification of regulations in 40 CFR part 80 for residues of pesticide chemicals in or on various food commodities. The Agency is taking public comment on the requests before responding to the petitioners. EPA is not proposing any particular action at this time. EPA has determined that the pesticide petitions described in this document contain the data or information prescribed in FFDCA section 408(d)(2), 21 U.S.C. 346a(d)(2); however, EPA has not fully evaluated the sufficiency of the submitted data at this time or whether the data support granting of the pesticide petitions. After considering the public comments, EPA intends to evaluate whether and what action may be warranted. Additional data may be needed before EPA can make a final determination on these pesticide petitions.

Pursuant to 40 CFR 180.7(f), a summary of each of the petitions that are the subject of this document, prepared by the petitioner, is included in a docket EPA has created for each rulemaking. The docket for each of the petitions is available at *http://www.regulations.gov.*

As specified in FFDCA section 408(d)(3), 21 U.S.C. 346a(d)(3), EPA is publishing notice of the petition so that the public has an opportunity to comment on this request for the establishment or modification of regulations for residues of pesticides in or on food commodities. Further information on the petition may be obtained through the petition summary referenced in this unit.

New Tolerances

PP 5F8355. (EPA–HQ–OPP–2015–0308). Gowan Company, P.O. Box 5569, Yuma, AZ 85366, requests to establish tolerances in 40 CFR part 180 for residues of the herbicide, EPTC, (S-ethyl dipropylthiocarbamate), in or on grass, grown for seed, forage at 0.6 parts per million (ppm) and grass, grown for seed, hay at 0.5 ppm. An analytical method using gas chromatography with nitrogen-phosphorus detection is used to measure and evaluate the chemical, EPTC, and its hydroxy metabolites. Contact: RD.

PP 5F8365. (EPA–HQ–OPP–2015–0375). Makhteshim Agan of North America, Inc. (d/b/a ADAMA), 3120 Highwoods Blvd., Suite 100, Raleigh, NC 27604, requests to establish a tolerance in 40 CFR part 180 for residues of the insecticide, fluensulfone, in or on tomato, paste at 1 parts per million (ppm). The LC–MS/MS residue analytical method is used to measure and evaluate the chemical fluensulfone (to be measured by residues of 3,4,4-trifluoro-but-3-end-1-sulfonic acid, expressed as the stoichiometric equivalent of fluensulfone). Contact: RD.

PP 3F8220. (EPA–HQ–OPP–2014–0114). EPA issued a notice in the **Federal Register** of May 23, 2014, (79 FR 29729) concerning pending filings of pesticide petitions requesting the establishment or modification of tolerances for residues of pesticide chemicals in or on various commodities. This document corrects the notification for petition PP 3F8220 by adding the missing entry for dried fruiting vegetable at 0.9 ppm. The original notice was for E.I. du Pont de Nemours & Company (DuPont), 1007 Market Street, Wilmington, DE 19898, which requested to establish tolerances in 40 CFR part 180 for residues of the fungicide oxathiapiprolin, 1-(4-{4-[(5RS)-5-(2,6-difluorophenyl)-4,5-dihydro-1,2-oxazol-3-yl]-1,3-thiazol-2-yl{time}-1-piperidyl)-2-[5-methyl-3-(trifluoromethyl)-1H-pyrazol-1-yl] ethanone. Contact: RD.

Amended Tolerances

PP 5F8346. (EPA–HQ–OPP–2015–0339). Gowan Company, P.O. Box 5569, Yuma, AZ, 85366 requests to amend the tolerances in 40 CFR 180.448 for residues of the insecticide, hexythiazox, in or on cotton, gin byproducts to 15 parts per million (ppm) and cotton, undelinted seed to 0.5 ppm. The high performance liquid chromatography (HPLC) using mass spectrometric detection (LC–MS/MS) analytical method is used to measure and evaluate residues of hexythiazox and its metabolites containing the PT–1–3 moiety. Contact: RD.

PP 5F8356. (EPA–HQ–OPP–2015–0338). Gowan Company, P.O. Box 5569, Yuma, AZ 85366, requests to amend the tolerances in 40 CFR 180.448 for residues of the insecticide, hexythiazox, in or on fruit, citrus group 10 to 0.6 parts per million (ppm) and citrus, oil to 26 ppm. The high performance liquid chromatography (HPLC) using mass spectrometric detection (LC–MS/MS) analytical method is used to measure and evaluate residues of hexythiazox and its metabolites containing the PT–1–3 moiety. Contact: RD.

Tolerance Exemptions

PP IN–10750. (EPA–HQ–OPP–2015–0363). Scientific & Regulatory Solutions, L.L.C., 3450 Old Washington Rd # 303, Waldorf, MD 20602, on behalf of SNF, Inc., 1 Chemical Plant Road, Riceboro, GA 31321, requests to establish an exemption from the requirement of a tolerance for residues of 2-propen-1-aminium, N,N-dimethyl-N-propenyl-, chloride, homopolymer (CAS Reg. No. 26062–79–3) when used as an ingredient in antimicrobial pesticide formulations applied to food-contact surfaces in public eating places, dairy processing equipment and food processing equipment and utensils in accordance with 40 CFR 180.940(a). The petitioner believes no analytical method is needed because it is not required for an exemption from the requirement of a tolerance. Contact: RD.

PP IN–10815. (EPA–HQ–OPP–2015–0350). Keller and Heckman, 1001 G

Street NW., Suite 500 West, Washington, DC 20001 on behalf of C.P. Kelco U.S., Inc., 3100 Cumberland Blvd., Suite 600, Atlanta, GA 30339 requests to establish an exemption from the requirement of a tolerance for residues of D-glucurono-D-gluco-6-deoxy-L-mannan, acetate, calcium magnesium potassium sodium salt (CAS Reg. No. 595585–15–2) when used as an inert ingredient applied to growing crops and raw agricultural commodities after harvest under 40 CFR 180.910. The petitioner believes no analytical method is needed because it is not required for an exemption from the requirement of a tolerance. Contact: RD.

Amended Tolerance Exemption

PP 4F8342. (EPA–HQ–OPP–2010–0099). SciReg, Inc., 12733 Director's Loop, Woodbridge, VA 22192 (on behalf of bio-ferm GmbH, Technologiezentrum Tulln, Technopark 1, Tulln, 3430, Austria), requests to amend an exemption from the requirement of a tolerance in 40 CFR 180.1312 for residues of the fungicide *Aureobasidium pullulans* strains DSM 14940 and DSM 14941 in or on all food commodities. The petitioner believes no analytical method is needed because the petitioner is submitting a petition to establish a postharvest exemption from the requirement of a tolerance and, therefore, an analytical method is not required. Contact: BPPD.

New Inert Tolerance

PP IN–10818. (EPA–HQ–OPP–2015–0395). Itaconix Corporation, 2 Marin Way, Stratham, NH 03885, requests to establish an exemption from the requirement of a tolerance for residues of butanedioic acid, 2-methylene-, homopolymer, sodium salt (CAS Reg. No. 26099–89–8), when used as an inert ingredient in pesticide formulations under 40 CFR 180.960. The petitioner believes no analytical method is needed because it is not required for an exemption from the requirement of a tolerance. Contact: RD.

Authority: 21 U.S.C. 346a.

Dated: July 8, 2015.

Jennifer Mclain,

Acting, Director, Antimicrobials Division, Office of Pesticide Programs.

[FR Doc. 2015–17674 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 300

RIN 0648–XE001

International Fisheries; Western and Central Pacific Fisheries for Highly Migratory Species; Fishing Effort Limits in Purse Seine Fisheries for 2015

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of receipt of petition for rulemaking; request for comments.

SUMMARY: NMFS announces the receipt of, and requests public comment on, a petition for rulemaking from Tri Marine Management Company, LLC (''Tri Marine''). The petitioner requests that NOAA undertake an emergency rulemaking to implement the 2015 limit on fishing effort by U.S. purse seine vessels on the high seas and in the U.S. exclusive economic zone in the area of application of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (Convention), and to issue a rule exempting from the limit any U.S. purse seine vessel that, pursuant to contract or declaration of intent, delivers or will deliver at least half its catch to tuna processing facilities in American Samoa.

DATES: Comments on the petition must be submitted in writing by August 17, 2015.

ADDRESSES: You may submit comments on the petition, identified by NOAA–NMFS–2015–0088, by either of the following methods:

• *Electronic submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal.

1. Go to *www.regulations.gov/#!docketDetail;D=NOAA-NMFS-2015-0088,*

2. Click the ''Comment Now!'' icon, complete the required fields, and

3. Enter or attach your comments.

—OR—

• *Mail:* Submit written comments to Michael D. Tosatto, Regional Administrator, NMFS, Pacific Islands Regional Office (PIRO), 1845 Wasp Blvd., Building 176, Honolulu, HI 96818.

Instructions: Comments sent by any other method, to any other address or individual, or received after the end of the comment period, might not be considered by NMFS. All comments received are a part of the public record and will generally be posted for public viewing on *www.regulations.gov* without change. All personal identifying information (*e.g.,* name and address), confidential business information, or otherwise sensitive information submitted voluntarily by the sender will be publicly accessible. NMFS will accept anonymous comments (enter ''N/A'' in the required fields if you wish to remain anonymous).

Copies of the petition are available at *www.regulations.gov* or may be obtained from Michael D. Tosatto, Regional Administrator, NMFS PIRO (see address above).

FOR FURTHER INFORMATION CONTACT: Tom Graham, NMFS PIRO, 808–725–5032.

SUPPLEMENTARY INFORMATION:

Background on Purse Seine Fishing Effort Limits in the Convention Area

Since 2009, NMFS regulations have established limits on fishing effort by U.S. purse seine fishing vessels in the area of application of the Convention (Convention Area), including in the area known as the Effort Limit Area for Purse Seine, or ELAPS, which is comprised of all areas of high seas and the U.S. exclusive economic zone (EEZ) between the latitudes of 20° N. and 20° S. in the Convention Area. These regulations are promulgated under authority of the Western and Central Pacific Fisheries Convention Implementation Act (16 U.S.C. 6901 *et seq.*), and have been codified at 50 CFR 300.223(a).

NMFS has established the purse seine fishing effort limits in the ELAPS to satisfy the obligations of the United States under the Convention, to which it is a party. Among those obligations is the need to implement the decisions of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (Commission), which was established by the Convention. NMFS has established the purse seine fishing effort limits in the ELAPS to implement a series of Commission decisions for tropical tuna stocks in the Convention Area.

Recently, NMFS established a purse seine fishing effort limit in the ELAPS for 2015 in an interim rule published May 21, 2015 (80 FR 29220). The limit is 1,828 fishing days.

On June 8, 2015, NMFS issued a notice announcing that the purse seine fishery in the ELAPS would close as a result of reaching the limit of 1,828 fishing days (80 FR 32313). The closure took effect June 15, 2015, and will

remain in effect through December 31, 2015. The closure applies to all U.S. purse seine fishing vessels.

Petition for Rulemaking

Under the Administrative Procedure Act, interested persons may petition Federal agencies for the issuance, amendment, or repeal of a rule.

In a petition to NMFS dated May 12, 2015, Tri Marine requested that NMFS take two actions. First, Tri Marine requested that ''NOAA undertake an emergency rulemaking with respect to the 2015 ELAPS limits for fishing days on the high seas.'' Second, Tri Marine requested that ''NOAA issue a rule exempting from that high seas limit any US flag purse seine vessel which, pursuant to contract or declaration of intent, delivers or will deliver at least 50 percent of its catch to tuna processing facilities based in American Samoa.''

At the time of Tri Marine's initial request, NMFS was preparing to issue an interim rule establishing a limit on purse seine fishing effort in the ELAPS for 2015. As described above, NMFS established a limit in the ELAPS for 2015 in an interim rule published May 21, 2015. Accordingly, the first part of Tri Marine's request has been addressed. In the interim rule, NMFS acknowledged that it had received Tri Marine's petition for rulemaking, and stated that it will consider and respond to the petition separately from the interim rule.

With regard to the second part of Tri Marine's request, the petition explains that as a result of decisions by the Republic of Kiribati, U.S. purse seine vessels' access to their traditional fishing grounds in 2015 has been dramatically reduced, and that the high seas portion of the ELAPS can be expected to be closed to fishing as early as June. The petition further states that because of the limited fishing grounds now available to the American Samoa-based purse seine fleet and other factors, including an unusually low tuna price and the higher cost of access to fishing grounds in the region, the ability of American Samoa-based tuna vessels to operate profitably is in serious question, and the loss of a reliable supply of tuna from these vessels will jeopardize the ability of the canneries in American Samoa to compete in world markets. The petition states that under the Convention, American Samoa is afforded special treatment as a small island developing state or participating territory for purposes of applying conservation and management measures of the Commission, and therefore NMFS should develop rules that exempt from the ELAPS limit those vessels that deliver to the canneries in American Samoa.

The petition includes further information on the basis of the request, including information related to the recommendations of the Governor of American Samoa's Fisheries Task Force, and an ''issue brief'' with statements about the nature of the issue and how the requested rule(s) would address it.

In a second letter to NMFS dated May 26, 2015, which supplements the May 12, 2015, petition, Tri Marine acknowledged the interim rule published May 21, 2015, and amended its request. Tri Marine requested that ''NOAA undertake an emergency rulemaking with respect to the 2015 ELAPS limits for fishing days (both) on the high seas and in the US EEZ,'' and further requested that ''NOAA issue a rule exempting from the ELAPS limits any US flag purse seine vessel which, pursuant to contract or declaration of intent, delivers or will deliver at least 50 percent of its catch to tuna processing facilities based in American Samoa.''

See the **ADDRESSES** section for instructions on how to obtain copies of the petition.

Request for Comments

NMFS has determined that the petition contains enough information to enable NMFS to consider its substance. NMFS is issuing this notice to solicit comments on the petitioner's request. NMFS is particularly interested in comments on the nature and severity of the problem identified by the petitioner, whether any exigencies exist, and whether the petitioner's requests would solve the alleged problem in an efficient and fair manner.

Next Steps

NMFS will consider public comments in deciding whether to proceed with the rulemaking(s) requested by Tri Marine. Once NMFS decides whether or not to proceed, or to proceed in part, it will publish a notice of its decision in the **Federal Register**.

Authority: 16 U.S.C. 6901 *et seq.*

Dated: July 13, 2015.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

[FR Doc. 2015–17571 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 424

[Docket Nos. FWS–HQ–ES–2015–0016; DOC 150506429–5586–02; 4500030113]

RIN 1018–BA53; 0648–BF06

Endangered and Threatened Wildlife and Plants; Revisions to the Regulations for Petitions

AGENCY: U.S. Fish and Wildlife Service (FWS), Interior; National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule; extension of the comment period.

SUMMARY: We, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service, announce the extension of the public comment period on our May 21, 2015, proposed revisions to the regulations concerning petitions under section 4(b)(3) of the Endangered Species Act of 1973, as amended. Comments previously submitted need not be resubmitted, as they will be fully considered in preparation of the final rule.

DATES: The comment period for the proposed rule published in the **Federal Register** on May 21, 2015 (80 FR 29286), is extended. We will accept comments from all interested parties until September 18, 2015. Please note that if you are using the Federal eRulemaking Portal (see **ADDRESSES**, below), the deadline for submitting an electronic comment is 11:59 p.m. Eastern Time on that date.

ADDRESSES: You may submit comments by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* In the Search box, enter the docket number for the proposed rule, which is FWS–HQ–ES–2015–0016. You may submit a comment by clicking on ''Comment Now!'' Please ensure that you have found the correct rulemaking before submitting your comment.
- *U.S. mail:* Public Comments Processing, Attn: Docket No. FWS–HQ–ES–2015–0016; Division of Policy, Performance, and Management Programs; U.S. Fish and Wildlife Service; 5275 Leesburg Pike, MS: BPHC, Falls Church, VA 22041–3803.

We will post all comments on *http://www.regulations.gov.* This

generally means that we will post any personal information you provide us (see Public Comments, below, for more information).

FOR FURTHER INFORMATION CONTACT: Douglas Krofta, U.S. Fish and Wildlife Service, Division of Conservation and Classification, 5275 Leesburg Pike, Falls Church, VA 22041–3803, telephone 703/358–2171; facsimile 703/358–1735; or Angela Somma, National Marine Fisheries Service, Office of Protected Resources, 1315 East–West Highway, Silver Spring, MD 20910, telephone 301/427–8403. If you use a telecommunications device for the deaf (TDD), call the Federal Information Relay Service (FIRS) at 800/877–8339.

SUPPLEMENTARY INFORMATION:

Public Comments

We will accept written comments and information during this extended comment period on our proposed revisions to the regulations concerning petitions under section 4(b)(3) of the Endangered Species Act of 1973, as amended (Act; 16 U.S.C. 1531 *et seq.*), that was published in the **Federal Register** on May 21, 2015 (80 FR 29286). We will consider information we receive from all interested parties on or before the close of the comment period (see **DATES**).

If you have already submitted comments or information during the public comment period that began May 21, 2015, please do not resubmit them. We have incorporated them into the public record, and we will fully consider them in the preparation of our final rule.

You may submit your comments and materials by one of the methods listed in **ADDRESSES**. We request that you send comments only by the methods described in **ADDRESSES**.

If you submit a comment via *http://www.regulations.gov,* your entire comment—including any personal identifying information—will be posted on the Web site. We will post all hardcopy comments on *http://www.regulations.gov* as well. If you submit a hardcopy comment that includes personal identifying information, you may request at the top of your document that we withhold this information from public review. However, we cannot guarantee that we will be able to do so.

Background

On May 21, 2015, we published a proposed rule regarding changes to the regulations in title 50 of the Code of Federal Regulations at 50 CFR 424.14 concerning petitions, to improve the content and specificity of petitions and to enhance the efficiency and effectiveness of the petitions process to support species conservation. Our proposed revisions to § 424.14 would clarify and enhance the procedures by which the Services will evaluate petitions under section 4(b)(3) of the Act, 16 U.S.C. 1533(b)(3). We proposed to revise the regulations pertaining to the petition process to provide greater clarity to the public on the petition-submission process, which will assist petitioners in providing complete petitions. These revisions would also maximize the efficiency with which the Services process petitions, making the best use of available resources. These changes would improve the quality of petitions through expanded content requirements and guidelines, and, in doing so, better focus the Services' energies on petitions that merit further analysis.

The comment period on the May 21, 2015, proposed rule was originally scheduled to close on July 20, 2015. We have received comments requesting an extension to that date, and we now announce that we will accept comments on the proposed revisions to the regulations concerning petitions at 50 CFR 424.14 as specified in **DATES**.

Authority: The authority for this action is the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

Dated: July 9, 2015.

Signed:

Michael J. Bean,

Principal Deputy Assistant Secretary for Fish and Wildlife and Parks.

Dated: July 9, 2015.

Signed:

Samuel D. Rauch,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

[FR Doc. 2015–17580 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–55–3510–22–P

Notices

Federal Register
Vol. 80, No. 137
Friday, July 17, 2015

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Notice of Public Information Collection, Request for Comment on the Continued Use of the Partner Information Form (0412–0577) in Compliance With the Paperwork Reduction Act of 1995

AGENCY: U.S. Agency for International Development.

ACTION: 60-Day Notice.

SUMMARY: The U.S. Agency for International Development invites the general public and other Federal agencies to take this opportunity to comment on the following continuing information collections, as required by the Paperwork Reduction Act of 1995. This information collection was first approved by the Office of Management and Budget (OMB) in 2008, and the Partner Information Form has been used successfully in screening programs in West Bank/Gaza and elsewhere since the OMB approval.

DATES: The purpose of this notice is to allow 60 days from the date of its publication for public comments. Comments are encouraged and will be accepted until September 15, 2015.

ADDRESSES: All submissions received must include the OMB Control Number 0412–0577 in the subject box, the agency name and Docket ID AID_FRDOC_0001. To avoid duplicate submissions, please use only *one* of the following methods to submit comments:

(1) *Online.* Submit comments via the Federal eRulemaking Portal Web site at *www.regulations.gov* under e-Docket ID number AID_FRDOC_0001;

(2) *Email.* Submit comments to *ghigginbotham@usaid.gov;*

(3) *Mail.* Submit written comments to George Higginbotham, Senior Management Policy Analyst, USAID, RRB, 1300 Pennsylvania Avenue NW., Washington, DC 20523

Written comments should address one or more of the following points:

(a) Whether the continuing collections of information are necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;

(b) The accuracy of the burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

FOR FURTHER INFORMATION CONTACT: Direct requests for additional information regarding the collection listed in this notice, including requests for copies of the proposed collection instrument (PIF) and supporting documents, to George Higginbotham, Senior Management Policy Analyst, USAID, RRB, 1300 Pennsylvania Avenue NW., Washington, DC 20523 or at *Ghigginbotham@usaid.gov.*

SUPPLEMENTARY INFORMATION:

OMB Number: 200705–0412–003.

Form Number: 0412–0577.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension of Information Collection.

(2) *Title of the Form/Collection:* Partner Information Form.

(3) *Agency form number:* AID500–13.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* The U.S. Agency for International Development intends to continue collection of information from individuals and/or officers of for-profit and not-for-profit non-governmental organizations (NGOs) who apply for USAID contracts, grants, cooperative agreements, other funding from USAID, or who apply for registration with USAID as Private and Voluntary Organizations. The collection of this information will be used to conduct screening to help mitigate the risk that USAID funds or USAID-funded activities inadvertently provide support to entities or individuals associated with terrorism. Screening programs are being conducted in West Bank/Gaza, Afghanistan, and pilot countries under the Partner Vetting System Pilot Program (Guatemala, Kenya, Lebanon, Philippines, and Ukraine).

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* USAID estimates that for pilot and non-pilot vetting programs, 3,800 PIFs will be completed in a calendar year and the additional requirements for partner vetting will add 1.25 hours (75 minutes) to an USAID acquisition or assistance award application.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 4,750 hours (3,800 forms multiplied by 75 minutes per form, divided by 60 minutes).

(7) *An estimate of the total public burden (in cost) associated with the collection:* With the implementation of the partner requested secure portal, USAID has made the completion and modification of the PIF much easier for the implementing partner community. No start-up, capital, or maintenance costs to applicants are anticipated as a result of this collection.

Dated: July 6, 2015.

George Higginbotham,

Senior Management Policy Analyst, U.S. Agency for International Development.

[FR Doc. 2015–17567 Filed 7–16–15; 8:45 am]

BILLING CODE 6116–01–P

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. APHIS–2015–0047]

Oral Rabies Vaccine Trial; Availability of a Supplemental Environmental Assessment

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Notice of availability and request for comments.

SUMMARY: We are advising the public that the Animal and Plant Health Inspection Service has prepared a supplemental environmental assessment (EA) relative to an oral rabies vaccination field trial in New Hampshire, New York, Ohio, Vermont, and West Virginia. The supplemental EA analyzes expanding the field trial for an experimental oral rabies vaccine for wildlife to additional areas in Ohio and increasing bait distribution density in

portions of West Virginia. The proposed field trial is necessary to evaluate whether the wildlife rabies vaccine will produce sufficient levels of population immunity against raccoon rabies. We are making the supplemental EA available to the public for review and comment.

DATES: We will consider all comments that we receive on or before August 17, 2015.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2015-0047.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2015–0047, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700 River Road Unit 118, Riverdale, MD 20737–1238.

The supplemental environmental assessment and any comments we receive may be viewed at *http://www.regulations.gov/#!docketDetail;D=APHIS-2015-0047* or in our reading room, which is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799–7039 before coming.

This notice and the supplemental EA are also posted on the APHIS Web site at *http://www.aphis.usda.gov/regulations/ws/ws_nepa_environmental_documents.shtml.*

FOR FURTHER INFORMATION CONTACT: Mr. Richard Chipman, Rabies Program Coordinator, Wildlife Services, APHIS, 59 Chennell Drive, Suite 7, Concord, NH 03301; (603) 223–9623. To obtain copies of the supplemental environmental assessment, contact Ms. Beth Kabert, Staff Wildlife Biologist, Wildlife Services, 140–C Locust Grove Road, Pittstown, NJ 08867; (908) 735–5654, fax (908) 735–0821, email: *beth.e.kabert@aphis.usda.gov.*

SUPPLEMENTARY INFORMATION: The Wildlife Services (WS) program in the Animal and Plant Health Inspection Service (APHIS) cooperates with Federal agencies, State and local governments, and private individuals to research and implement the best methods of managing conflicts between wildlife and human health and safety, agriculture, property, and natural resources. Wildlife-borne diseases that can affect domestic animals and humans are among the types of conflicts that APHIS–WS addresses. Wildlife is the dominant reservoir of rabies in the United States.

Currently, APHIS conducts an oral rabies vaccination (ORV) program to control the spread of rabies. The ORV program has utilized a vaccinia-rabies glycoprotein (V–RG) vaccine. APHIS–WS' use of the V–RG vaccine has resulted in several notable accomplishments, including the elimination of canine rabies from sources in Mexico, the successful control of gray fox rabies virus variant in western Texas, and the prevention of any appreciable spread of raccoon rabies in the eastern United States. While the prevention of any appreciable spread of raccoon rabies in the eastern United States represents a major accomplishment in rabies management, the V–RG vaccine has not been effective in eliminating raccoon rabies from high-risk spread corridors. This fact prompted APHIS–WS to evaluate rabies vaccines capable of producing higher levels of population immunity against raccoon rabies to better control the spread of this disease.

In 2011, APHIS–WS initiated a field trial to study the immunogenicity and safety of a promising new wildlife rabies vaccine, human adenovirus type 5 rabies glycoprotein recombinant vaccine in portions of West Virginia, including U.S. Department of Agriculture Forest Service National Forest System lands. The vaccine used in this field trial is an experimental oral rabies vaccine called ONRAB (produced by Artemis Technologies Inc., Guelph, Ontario, Canada).

To further assess the immunogenicity of ONRAB in raccoons and skunks for raccoon rabies virus variant, APHIS–WS determined the need to expand the field trial into portions of New Hampshire, New York, Ohio, Vermont, and West Virginia, including National Forest System lands. On July 9, 2012, we published in the **Federal Register** (77 FR 40322–40323, Docket No. APHIS–2012–0052) a notice [1] in which we announced the availability, for public review and comment, of an environmental assessment (EA) that examined the potential environmental impacts associated with the proposed field trial to test the safety and efficacy of the ONRAB vaccine in New Hampshire, New York, Ohio, Vermont, and West Virginia. We announced the availability of our final EA and finding of no significant impact in a notice published in the **Federal Register** (see footnote 1) on August 16, 2012 (77 FR 49409–49410, Docket No. APHIS–2012–0052). The field trial began in August 2012, taking place within approximately 10,483 square miles in portions of New Hampshire, New York, Ohio, Vermont, and West Virginia, including portions of National Forest System lands, excluding Wilderness Areas. The field trial is a collaborative effort among APHIS–WS; the Centers for Disease Control and Prevention; the vaccine manufacturer; the appropriate agriculture, health, and wildlife agencies for the States of New Hampshire, New York, Ohio, Vermont, and West Virginia; the Ontario Ministry of Natural Resources; and the Quebec Ministry of Natural Resources and Wildlife.

Given promising immunogenicity levels documented during the field trial of the ONRAB vaccine and the need for further field testing, APHIS is considering expanding the current field trial for the ONRAB vaccine in Ohio. APHIS has prepared a supplemental EA in which we analyze expanding the area of the field trial zone in Ohio to include Ashtabula and Trumbull Counties. This would add approximately 405 square miles to the field trial. In addition, the supplemental EA analyzes the impacts associated with increasing the ONRAB ORV bait distribution density from the program standard rate of 194–388 baits per square mile to 776 baits per square mile over a portion of the current field trial zones in West Virginia. The supplemental EA analyzes a number of environmental issues or concerns with the ONRAB vaccine and activities associated with the field trial, such as capture and handling animals for monitoring and surveillance purposes with regard to the proposed action.

We are making the supplemental EA available to the public for review and comment. We will consider all comments that we receive on or before the date listed under the heading **DATES** at the beginning of this notice.

The supplemental EA may be viewed on the Regulations.gov Web site or in our reading room (see **ADDRESSES** above for instructions for accessing Regulations.gov and information on the location and hours of the reading room). In addition, paper copies may be obtained by calling or writing to the individual listed under **FOR FURTHER INFORMATION CONTACT**.

The EA has been prepared in accordance with: (1) The National Environmental Policy Act of 1969 (NEPA), as amended (42 U.S.C. 4321 *et seq.*), (2) regulations of the Council on Environmental Quality for implementing the procedural provisions of NEPA (40 CFR parts 1500–1508), (3) USDA regulations implementing NEPA (7 CFR part 1b), and (4) APHIS' NEPA

[1] To view the notice, the comments we received, the EA, and the followup finding of no significant impact, go to *http://www.regulations.gov/#!docketDetail;D=APHIS-2012-0052.*

Implementing Procedures (7 CFR part 372).

Done in Washington, DC, this 13th day of July 2015.

Jere L. Dick,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2015–17608 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Economic Research Service

Notice of Intent To Request Renewal of a Currently Approved Information Collection

AGENCY: Economic Research Service

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 and Office of Management and Budget (OMB) implementing regulations, this notice announces the Economic Research Service's (ERS) intention to request renewal of approval for an annual information collection on supplemental food security questions in the Current Population Survey (CPS), commencing with the December 2016 survey. These data will be used: To monitor household-level food security and food insecurity in the United States; to assess food security and changes in food security for population subgroups; to assess the need for, and performance of, domestic food assistance programs; to improve the measurement of food security; and to provide information to aid in public policy decision making.

DATES: Comments on this notice must be received by September 15, 2015 to be assured of consideration.

ADDRESSES: Address all comments concerning this notice to Alisha Coleman-Jensen, Food Assistance Branch, Food Economics Division, Economic Research Service, Room 5–233A, 1400 Independence Ave. SW., Mail Stop 1800, Washington, DC 20050–1800. Submit electronic comments to *acjensen@ers.usda.gov.*

FOR FURTHER INFORMATION CONTACT: Alisha Coleman-Jensen at the address in the preamble. Tel. 202–694–5456.

SUPPLEMENTARY INFORMATION:

Title: Current Population Survey Food Security Supplement.

OMB Number: 0536–0043.

Expiration Date of Approval: January 31, 2016.

Type of Request: Intent To Seek Approval To Extend an Information Collection for 3 Years.

Abstract: In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104–13) and OMB regulations at 5 CFR part 1320 (60 FR 44978, August 29, 1995), this notice announces the ERS intention to request renewal of approval for an annual information collection. The U.S. Census Bureau will supplement the December CPS, beginning in 2016, with questions regarding household food shopping, use of food and nutrition assistance programs, food sufficiency, and difficulties in meeting household food needs. A similar supplement has been appended to the CPS annually since 1995. The last collection was in December 2014.

ERS is responsible for conducting studies and evaluations of the Nation's food and nutrition assistance programs that are administered by the Food and Nutrition Service (FNS), U.S. Department of Agriculture. In Fiscal Year 2014, the Department spent over $104 billion to ensure access to nutritious, healthful diets for all Americans. The Food and Nutrition Service administers the 15 food assistance programs of the USDA including the Supplemental Nutrition Assistance Program (SNAP), formerly called the Food Stamp Program, the National School Lunch Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). These programs, which serve 1 in 4 Americans, represent our Nation's commitment to the principle that no one in our country should lack the food needed for an active, healthy life. They provide a safety net to people in need. The programs' goals are to provide needy persons with access to a more nutritious diet, to improve the eating habits of the Nation's children, and to help America's farmers by providing an outlet for the distribution of food purchased under farmer assistance authorities.

The data collected by the food security supplement will be used to monitor the prevalence of food security and the prevalence and severity of food insecurity among the Nation's households. The prevalence of these conditions as well as year-to-year trends in their prevalence will be estimated at the national level and for population subgroups. The data will also be used to monitor the amounts that households spend for food and their use of community food pantries and emergency kitchens. These statistics along with research based on the data will be used to identify the causes and consequences of food insecurity, and to assess the need for, and performance of, domestic food assistance programs. The data will also be used to improve the measurement of food security and to develop measures of additional aspects and dimensions of food security. This consistent measurement of the extent and severity of food insecurity will aid in policy decision-making.

The supplemental survey instrument was developed in conjunction with food security experts nationwide as well as survey method experts within the Census Bureau and was reviewed in 2006 by the Committee on National Statistics of the National Research Council. This supplemental information will be collected by both personal visit and telephone interviews in conjunction with the regular monthly CPS interviewing. Interviews will be conducted using Computer Assisted Personal Interview (CAPI) and Computer Assisted Telephone Interview (CATI) methods.

Authority: Legislative authority for the planned data collection is H.R. 2642, Sec. 4023 (1) of the Agricultural Act of 2014. This section authorizes officials and contractors acting on behalf of the Secretary to cooperate with States, State agencies, local agencies, institutions, facilities such data consortiums, and contractors to conduct program research and evaluations of programs authorized under the Agricultural Act.

Estimate of Burden: Public reporting burden for this data collection is estimated to average 7.2 minutes (after rounding) for each household that responds to the labor force portion of the CPS. The estimate is based on the number of households that were asked each question in recent survey years (2013 and 2014) and typical reading and response times for the questions.

Respondents: Individuals or households.

Estimated Total Number of Respondents: 53,657.

Estimated Total Annual Burden on Respondents: 6,450 hours. Copies of this information collection can be obtained from Alisha Coleman-Jensen at the address in the preamble.

Comments: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of

appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments should be sent to the address in the preamble. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Signed at Washington, DC, July 1, 2015.

Greg Pompelli,

Associate Administrator.

[FR Doc. 2015–17585 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–18–P

DEPARTMENT OF AGRICULTURE

Farm Service Agency

Information Collection; Measurement Service (MS) Records

AGENCY: Farm Service Agency, USDA.

ACTION: Notice; request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, the Farm Service Agency (FSA) is requesting comments from all interested individuals and organizations on an extension of a currently approved information collection associated with the MS Records.

DATES: We will consider comments that we receive by September 15, 2015.

ADDRESSES: We invite you to submit comments on this notice. In your comments, include date, volume and page number, the OMB Control Number, and the title of the information collection of this issue of the **Federal Register**. You may submit comments by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Mail:* Clay Lagasse, Common Provisions Section, Production Emergencies and Compliance Division, USDA, FSA, Farm Programs, 1400 Independence Avenue SW., Mail Stop 0517, Washington, DC 20250–0517.

You may also send comments to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503. Copies of the information collection may be requested by contacting Clay Lagasse at the above address.

FOR FURTHER INFORMATION CONTACT: Clay Lagasse, (202) 205–9893.

SUPPLEMENTARY INFORMATION:

Description of Information Collection

Title: Measurement Service (MS) Records.

OMB Control Number: 0560–0260.

Expiration Date: 12/31/2015.

Type of Request: Extension.

Abstract: When a producer requests a measurement of acreage or production from FSA, the producer uses the form FSA–409 (Measurement Service (MS) Record) to make the request, which requires a measurement fee to be paid to FSA.

The form is manual. The types of MS being performed are currently at the Land (Office or Field) and Commodity Bin. Using the FSA–409 to make a request, the producer provides FSA: the farm serial number, program year, farm location, contact person, and type of service request (acreage or production). The MS procedure is done in accordance with 7 CFR part 718. FSA is using the collected information to fulfill producers' measurement request and to ensure that measurements are accurate.

A producer will use the FSA–409 to request and receive certain MS information from FSA and provide it to FSA at the time of applying for certain program benefits. The MS information includes, but is not limited to, measuring land and crop areas, quantities of farm-stored commodities, and appraising the yields of crops in the field.

The formula used to calculate the total burden hours is ''the estimated average time per response (including travel time)'' times ''the total estimated annual response.''

Estimate of Annual Burden: Public reporting burden for the collection of information is estimated to average 15 minutes per response. The travel time, which is included in the total annual burden, is estimated to be 1 hour per respondent.

Respondents: Producers.

Estimated Number of Respondents: 135,000.

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual of Responses: 135,000.

Estimated Average Time per Response: 1.25 hours.

Estimated Total Annual Burden Hours: 168,750 hours.

We are requesting comments on all aspects of this information collection to help us:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden of the collection of information including the validity of the methodology and assumptions used;

(3) Evaluate the quality, utility, and clarity of the information technology; and

(4) Minimize the burden of the information collection on those who respond through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All comments received in response to this notice, including names and addresses where provided, will be made a matter of public record. Comments will be summarized and included in the request for OMB approval of the information collection.

Val Dolcini,

Administrator, Farm Service Agency.

[FR Doc. 2015–17586 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

National School Lunch, Special Milk, and School Breakfast Programs, National Average Payments/Maximum Reimbursement Rates

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This Notice announces the annual adjustments to the ''national average payments,'' the amount of money the Federal Government provides States for lunches, afterschool snacks and breakfasts served to children participating in the National School Lunch and School Breakfast Programs; to the ''maximum reimbursement rates,'' the maximum per lunch rate from Federal funds that a State can provide a school food authority for lunches served to children participating in the National School Lunch Program; and to the rate of reimbursement for a half-pint of milk served to non-needy children in a school or institution which participates in the Special Milk Program for Children. The payments and rates are prescribed on an annual basis each July. The annual payments and rates adjustments for the National School Lunch and School Breakfast Programs reflect changes in the Food Away From Home series of the Consumer Price Index for All Urban Consumers. The annual rate adjustment for the Special Milk Program reflects changes in the

Producer Price Index for Fluid Milk Products.

DATES: These rates are effective from July 1, 2015 through June 30, 2016.

FOR FURTHER INFORMATION CONTACT: Steve Hortin, Branch Chief, Program Monitoring and Operational Support Division, Child Nutrition Programs, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 640, Alexandria, VA 22302; or phone (703) 305–4375.

SUPPLEMENTARY INFORMATION:

Background

Special Milk Program for Children—Pursuant to section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1772), the Department announces the rate of reimbursement for a half-pint of milk served to non-needy children in a school or institution that participates in the Special Milk Program for Children. This rate is adjusted annually to reflect changes in the Producer Price Index for Fluid Milk Products, published by the Bureau of Labor Statistics of the Department of Labor.

For the period July 1, 2015 through June 30, 2016, the rate of reimbursement for a half-pint of milk served to a non-needy child in a school or institution which participates in the Special Milk Program is 20.00 cents. This reflects a decrease of 3 cents from the School Year (SY) 2014–15 level, based on the 12.89 percent decrease in the Producer Price Index for Fluid Milk Products from May 2014 to May 2015 (from a level of 251.4 in May, as previously published in the **Federal Register** to 219.0 in May 2015).

As a reminder, schools or institutions with pricing programs that elect to serve milk free to eligible children continue to receive the average cost of a half-pint of milk (the total cost of all milk purchased during the claim period divided by the total number of purchased half-pints) for each half-pint served to an eligible child.

National School Lunch and School Breakfast Programs—Pursuant to sections 11 and 17A of the Richard B. Russell National School Lunch Act, (42 U.S.C. 1759a and 1766a), and section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), the Department annually announces the adjustments to the National Average Payment Factors and to the maximum Federal reimbursement rates for lunches and afterschool snacks served to children participating in the National School Lunch Program and breakfasts served to children participating in the School Breakfast Program. Adjustments are prescribed each July 1, based on changes in the Food Away From Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor. The changes in the national average payment rates for schools and residential child care institutions for the period July 1, 2015 through June 30, 2016 reflect a 2.97 percent increase in the Consumer Price Index for All Urban Consumers during the 12-month period May 2014 to May 2015 (from a level of 247.952 in May 2014, as previously published in the **Federal Register** to 255.322 in May 2015). Adjustments to the national average payment rates for all lunches served under the National School Lunch Program, breakfasts served under the School Breakfast Program, and afterschool snacks served under the National School Lunch Program are rounded down to the nearest whole cent.

Lunch Payment Levels—Section 4 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753) provides general cash for food assistance payments to States to assist schools in purchasing food. The Richard B. Russell National School Lunch Act provides two different section 4 payment levels for lunches served under the National School Lunch Program. The lower payment level applies to lunches served by school food authorities in which less than 60 percent of the lunches served in the school lunch program during the second preceding school year were served free or at a reduced price. The higher payment level applies to lunches served by school food authorities in which 60 percent or more of the lunches served during the second preceding school year were served free or at a reduced price.

To supplement these section 4 payments, section 11 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759 (a)) provides special cash assistance payments to aid schools in providing free and reduced price lunches. The section 11 National Average Payment Factor for each reduced price lunch served is set at 40 cents less than the factor for each free lunch.

As authorized under sections 8 and 11 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1757 and 1759a), maximum reimbursement rates for each type of lunch are prescribed by the Department in this Notice. These maximum rates are to ensure equitable disbursement of Federal funds to school food authorities.

Section 201 of the Healthy, Hunger-Free Kids Act of 2010—Section 201 of the Healthy, Hunger-Free Kids Act of 2010 made significant changes to the Richard B. Russell National School Lunch Act. On January 3, 2014, the final rule entitled, ''Certification of Compliance With Meal Requirements for the National School Lunch Program Under the Healthy, Hunger-Free Kids Act of 2010'' (79 FR 325), was published and provides eligible school food authorities with performance-based cash reimbursement in addition to the general and special cash assistance described above. The final rule requires that school food authorities be certified by the State agency as being in compliance with the updated meal pattern and nutrition standard requirements set forth in amendments to 7 CFR parts 210 and 220 on January 26, 2012, in the final rule entitled ''Nutrition Standards in the National School Lunch and School Breakfast Programs'' (77 FR 4088). Certified school food authorities are eligible to receive performance-based cash assistance for each reimbursable lunch served (an additional six cents per lunch available beginning October 1, 2012, and adjusted annually thereafter).

Afterschool Snack Payments in Afterschool Care Programs—Section 17A of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766a) establishes National Average Payments for free, reduced price and paid afterschool snacks as part of the National School Lunch Program.

Breakfast Payment Factors—Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) establishes National Average Payment Factors for free, reduced price and paid breakfasts served under the School Breakfast Program and additional payments for free and reduced price breakfasts served in schools determined to be in ''severe need'' because they serve a high percentage of needy children.

Revised Payments

The following specific section 4, section 11 and section 17A National Average Payment Factors and maximum reimbursement rates for lunch, the afterschool snack rates, and the breakfast rates are in effect from July 1, 2015 through June 30, 2016. Due to a higher cost of living, the average payments and maximum reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico and Guam use the figures specified for the contiguous States.

National School Lunch Program Payments

Section 4 National Average Payment Factors—In school food authorities which served less than 60 percent free and reduced price lunches in School

Year (SY) 2013–14, the payments for meals served are: *Contiguous States*—paid rate—29 cents (1 cent increase from the SY 2014–15 level), free and reduced price rate—29 cents (1 cent increase), maximum rate—37 cents (1 cent increase); *Alaska*—paid rate—48 cents (2 cents increase), free and reduced price rate—48 cents (2 cents increase), maximum rate—58 cents (1 cent increase); *Hawaii*—paid rate—34 cents (1 cent increase), free and reduced price rate—34 cents (1 cent increase), maximum rate—42 cents (1 cent increase).

In school food authorities which served 60 percent or more free and reduced price lunches in School Year 2013–14, payments are: *Contiguous States*—paid rate—31 cents (1 cent increase from the SY 2014–15 level), free and reduced price rate—31 cents (1 cent increase), maximum rate—37 cents (1 cent increase); *Alaska*—paid rate—50 cents (2 cents increase), free and reduced price rate—50 cents (2 cents increase), maximum rate—58 cents (1 cent increase); *Hawaii*—paid rate—36 cents (1 cent increase), free and reduced price rate—36 cents (1 cent increase), maximum rate—42 cents (1 cent increase).

School food authorities certified to receive the performance-based cash assistance will receive an additional 6 cents (adjusted annually) added to the above amounts as part of their section 4 payments.

Section 11 National Average Payment Factors—Contiguous States—free lunch—278 cents (8 cents increase from the SY 2014–15 level), reduced price lunch—238 cents (8 cents increase); *Alaska*—free lunch—451 cents (13 cents increase), reduced price lunch—411 cents (13 cents increase); *Hawaii*—free lunch—326 cents (10 cents increase), reduced price lunch—286 cents (10 cents increase).

Afterschool Snacks in Afterschool Care Programs—The payments are: *Contiguous States*—free snack—84 cents (2 cents increase from the SY 2014–15 level), reduced price snack—42 cents (1 cent increase), paid snack—07 cents (no change); *Alaska*—free snack –137 cents (4 cents increase), reduced price snack—68 cents (2 cents increase), paid snack—12 cents (no change); *Hawaii*—free snack—99 cents (3 cents increase), reduced price snack—49 cents (1 cent increase), paid snack—09 cents (1 cent increase) .

School Breakfast Program Payments

For schools ''not in severe need'' the payments are: *Contiguous States*—free breakfast—166 cents (4 cents increase from the SY 2014–15 level), reduced price breakfast—136 cents (4 cents increase), paid breakfast—29 cents (1 cent increase); *Alaska*—free breakfast—266 cents (7 cents increase), reduced price breakfast—236 cents (7 cents increase), paid breakfast—43 cents (1 cent increase); *Hawaii*—free breakfast—194 cents (6 cents increase), reduced price breakfast—164 cents (6 cents increase), paid breakfast—33 cents (1 cent increase).

For schools in ''severe need'' the payments are: *Contiguous States*—free breakfast—199 cents (6 cents increase from the SY 2014–15 level), reduced price breakfast—169 cents (6 cents increase), paid breakfast—29 cents (1 cent increase); *Alaska*—free breakfast—319 cents (9 cents increase), reduced price breakfast—289 cents (9 cents increase), paid breakfast—43 cents (1 cent increase); *Hawaii*—free breakfast—232 cents (7 cents increase), reduced price breakfast—202 cents (7 cents increase), paid breakfast—33 cents (1 cent increase).

Payment Chart

The following chart illustrates the lunch National Average Payment Factors with the sections 4 and 11 already combined to indicate the per lunch amount; the maximum lunch reimbursement rates; the reimbursement rates for afterschool snacks served in afterschool care programs; the breakfast National Average Payment Factors including ''severe need'' schools; and the milk reimbursement rate. All amounts are expressed in dollars or fractions thereof. The payment factors and reimbursement rates used for the District of Columbia, Virgin Islands, Puerto Rico and Guam are those specified for the contiguous States.

SCHOOL PROGRAMS—MEAL, SNACK AND MILK PAYMENTS TO STATES AND SCHOOL FOOD AUTHORITIES

[Expressed in dollars or fractions thereof]

[Effective from: July 1, 2015–June 30, 2016]

National school lunch program [1]	Less than 60%	Less than 60% + 6 cents [2]	60% or more	60% or more + 6 cents [2]	Maximum rate	Maximum rate + 6 cents [2]
Contiguous States:						
Paid	0.29	0.35	0.31	0.37	0.37	0.43
Reduced price	2.67	2.73	2.69	2.75	2.84	2.90
Free	3.07	3.13	3.09	3.15	3.24	3.30
Alaska:						
Paid	0.48	0.54	0.50	0.56	0.58	0.64
Reduced price	4.59	4.65	4.61	4.67	4.83	4.89
Free	4.99	5.05	5.01	5.07	5.23	5.29
Hawaii:						
Paid	0.34	0.40	0.36	0.42	0.42	0.48
Reduced price	3.20	3.26	3.22	3.28	3.38	3.44
Free	3.60	3.66	3.62	3.68	3.78	3.84

School breakfast program	Non-severe need	Severe need
CONTIGUOUS STATES:		
Paid	0.29	0.29
Reduced price	1.36	1.69
Free	1.66	1.99
ALASKA:		
Paid	0.43	0.43
Reduced price	2.36	2.89
Free	2.66	3.19
HAWAII:		
Paid	0.33	0.33

School breakfast program	Non-severe need	Severe need
Reduced price	1.64	2.02
Free	1.94	2.32

Special milk Program	All milk	Paid milk	Free milk
Pricing programs without free option	0.20	N/A	N/A.
Pricing programs with free option	N/A	0.20	Average Cost Per ½ Pint of Milk.
Nonpricing programs	0.20	N/A	N/A.

Afterschool Snacks Served in Afterschool Care Programs

CONTIGUOUS STATES:	
Paid	0.07
Reduced price	0.42
Free	0.84
ALASKA:	
Paid	0.12
Reduced price	0.68
Free	1.37
HAWAII:	
Paid	0.09
Reduced price	0.49
Free	0.99

[1] Payment listed for Free and Reduced Price Lunches include both section 4 and section 11 funds.
[2] Performance-based cash reimbursement (adjusted annually for inflation).

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612) and thus is exempt from the provisions of that Act.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), no new recordkeeping or reporting requirements have been included that are subject to approval from the Office of Management and Budget.

This notice has been determined to be not significant and was reviewed by the Office of Management and Budget in conformance with Executive Order 12866.

National School Lunch, School Breakfast and Special Milk Programs are listed in the Catalog of Federal Domestic Assistance under No. 10.555, No. 10.553 and No. 10.556, respectively, and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR 415.3–415.6).

Authority: Sections 4, 8, 11 and 17A of the Richard B. Russell National School Lunch Act, as amended, (42 U.S.C. 1753, 1757, 1759a, 1766a) and sections 3 and 4(b) of the Child Nutrition Act, as amended, (42 U.S.C. 1772 and 42 U.S.C. 1773(b)).

Dated: July 12, 2015.

Audrey Rowe,

Administrator, Food and Nutrition Service.

[FR Doc. 2015–17600 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Food Distribution Program: Value of Donated Foods From July 1, 2015 Through June 30, 2016

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the national average value of donated foods or, where applicable, cash in lieu of donated foods, to be provided in school year 2016 (July 1, 2015 through June 30, 2016) for each lunch served by schools participating in the National School Lunch Program (NSLP), and for each lunch and supper served by institutions participating in the Child and Adult Care Food Program (CACFP).

DATES: Effective date: July 1, 2015.

FOR FURTHER INFORMATION CONTACT: Carolyn Smalkowski, Program Analyst, Policy Branch, Food Distribution Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, Virginia 22302–1594; or telephone (703) 305–2680.

SUPPLEMENTARY INFORMATION: These programs are listed in the Catalog of Federal Domestic Assistance under Nos. 10.555 and 10.558 and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice imposes no new reporting or recordkeeping provisions that are subject to Office of Management and Budget review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612) and thus is exempt from the provisions of that Act. This notice was reviewed by the Office of Management and Budget under Executive Order 12866.

National Average Minimum Value of Donated Foods for the Period July 1, 2015 Through June 30, 2016

This notice implements mandatory provisions of sections 6(c) and 17(h)(1)(B) of the Richard B. Russell National School Lunch Act (the Act) (42 U.S.C. 1755(c) and 1766(h)(1)(B)). Section 6(c)(1)(A) of the Act establishes the national average value of donated food assistance to be given to States for each lunch served in the NSLP at 11.00 cents per meal. Pursuant to section 6(c)(1)(B), this amount is subject to annual adjustments on July 1 of each year to reflect changes in a three-month average value of the Producer Price Index for Foods Used in Schools and Institutions for March, April, and May each year (Price Index). Section 17(h)(1)(B) of the Act provides that the same value of donated foods (or cash in lieu of donated foods) for school lunches shall also be established for

lunches and suppers served in the CACFP. Notice is hereby given that the national average minimum value of donated foods, or cash in lieu thereof, per lunch under the NSLP (7 CFR part 210) and per lunch and supper under the CACFP (7 CFR part 226) shall be 23.75 cents for the period July 1, 2015 through June 30, 2016.

The Price Index is computed using five major food components in the Bureau of Labor Statistics Producer Price Index (cereal and bakery products; meats, poultry and fish; dairy; processed fruits and vegetables; and fats and oils). Each component is weighted using the relative weight as determined by the Bureau of Labor Statistics. The value of food assistance is adjusted each July 1 by the annual percentage change in a three-month average value of the Price Index for March, April, and May each year. The three-month average of the Price Index decreased by 3.75 percent from 217.35 for March, April, and May of 2014, as previously published in the **Federal Register**, to 209.20 for the same three months in 2015. When computed on the basis of unrounded data and rounded to the nearest one-quarter cent, the resulting national average for the period July 1, 2015 through June 30, 2016 will be 23.75 cents per meal. This is a decrease of one cent from the school year 2015 (July 1, 2014 through June 30, 2015) rate.

Authority: Sections 6(c)(1)(A) and (B), 6(e)(1), and 17(h)(1)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(c)(1)(A) and (B) and (e)(1), and 1766(h)(1)(B)).

Dated: July 12, 2015.

Audrey Rowe,

Administrator, Food and Nutrition Service.

[FR Doc. 2015–17599 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Child and Adult Care Food Program: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes for the Period, July 1, 2015 Through June 30, 2016

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the annual adjustments to the national average payment rates for meals and snacks served in child care centers, outside-school-hours care centers, at-risk afterschool care centers, and adult day care centers; the food service payment rates for meals and snacks served in day care homes; and the administrative reimbursement rates for sponsoring organizations of day care homes, to reflect changes in the Consumer Price Index. Further adjustments are made to these rates to reflect the higher costs of providing meals in the States of Alaska and Hawaii. The adjustments contained in this notice are made on an annual basis each July, as required by the laws and regulations governing the Child and Adult Care Food Program.

DATES: These rates are effective from July 1, 2015 through June 30, 2016.

FOR FURTHER INFORMATION CONTACT: Steve Hortin, Branch Chief, Program Monitoring and Operational Support Division, Child Nutrition Programs, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 640, Alexandria, Virginia 22302–1594; phone 703–305–4375.

SUPPLEMENTARY INFORMATION:

Definitions

The terms used in this notice have the meanings ascribed to them in the Child and Adult Care Food Program regulations, 7 CFR part 226.

Background

Pursuant to sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753, 1759a and 1766), section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and 7 CFR 226.4, 226.12 and 226.13 of the Program regulations, notice is hereby given of the new payment rates for institutions participating in the Child and Adult Care Food Program (CACFP). These rates are in effect during the period, July 1, 2015 through June 30, 2016.

As provided for under the law, all rates in the CACFP must be revised annually, on July 1, to reflect changes in the Consumer Price Index (CPI), published by the Bureau of Labor Statistics of the United States Department of Labor, for the most recent 12-month period. In accordance with this mandate, the United States Department of Agriculture (USDA) last published the adjusted national average payment rates for centers, the food service payment rates for day care homes, and the administrative reimbursement rates for sponsoring organizations of day care homes, for the period from July 1, 2014 through June 30, 2015, on July 16, 2014, in the **Federal Register** at 79 FR 41531.

Adjusted Payments

The following national average payment factors and food service payment rates for meals and snacks are in effect from July 1, 2015 through June 30, 2016. All amounts are expressed in dollars or fractions thereof. Due to a higher cost of living, the reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico, and Guam use the figures specified for the contiguous States. These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each lunch or supper served to participants under the Program. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the **Federal Register**.

National Average Payment Rates for Centers

Payments for breakfasts served are: *Contiguous States*—paid rate—29 cents (1 cent increase from 2014–2015 annual level), reduced price rate—136 cents (4 cents increase), free rate—166 cents (4 cents increase); *Alaska*—paid rate—43 cents (1 cent increase), reduced price rate—236 cents (7 cents increase), free rate—266 cents (7 cents increase); *Hawaii*—paid rate—33 cents (1 cent increase), reduced price rate—164 cents (6 cents increase), free rate—194 cents (6 cents increase).

Payments for lunch or supper served are: *Contiguous States*—paid rate—29 cents (1 cent increase from 2014–2015 annual level), reduced price rate—267 cents (9 cents increase), free rate—307 cents (9 cents increase); *Alaska*—paid rate—48 cents (2 cents increase), reduced price rate—459 cents (15 cents increase), free rate—499 cents (15 cents increase); *Hawaii*—paid rate—34 cents (1 cent increase), reduced price rate—320 cents (11 cents increase), free rate—360 cents (11 cents increase).

Payments for snack served are: *Contiguous States*—paid rate—7 cents (no change from 2014–2015 annual level), reduced price rate—42 cents (1 cent increase), free rate—84 cents (2 cents increase); *Alaska*—paid rate—12 cents (no change), reduced price rate—68 cents (2 cents increase), free rate—137 cents (4 cents increase); *Hawaii*—paid rate—9 cents (1 cent increase), reduced price rate—49 cents (1 cent increase), free rate—99 cents (3 cents increase).

Food Service Payment Rates for Day Care Homes

Payments for breakfast served are: *Contiguous States*—tier I—132 cents (1

cent increase from 2014–2015 annual level) and tier II—48 cents (no change); *Alaska*—tier I—211 cents (2 cents increase) and tier II—75 cents (1 cent increase); *Hawaii*—tier I—154 cents (1 cent increase) and tier II—55 cents (no change).

Payments for lunch and supper served are: *Contiguous States*—tier I—248 cents (1 cent increase from 2014–2015 annual level) and tier II—150 cents (1 cent increase); *Alaska*—tier I—402 cents (2 cents increase) and tier II—243 cents (2 cents increase); *Hawaii*—tier I—290 cents (2 cents increase) and tier II—175 cents (1 cent increase).

Payments for snack served are: *Contiguous States*—tier I—74 cents (1 cent increase from 2014–2015 annual level) and tier II—20 cents (no change); *Alaska*—tier I—120 cents (1 cent increase) and tier II—33 cents (no change); *Hawaii*—tier I—86 cents (no change) and tier II—24 cents (1 cent increase).

Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes

Monthly administrative payments to sponsors for each sponsored day care home (no changes from 2014–2015 annual levels) are: *Contiguous States*—initial 50 homes—111 dollars, next 150 homes—85 dollars, next 800 homes—66 dollars, each additional home—58 dollars; *Alaska*—initial 50 homes—180 dollars, next 150 homes—137 dollars, next 800 homes—107 dollars, each additional home—94 dollars; *Hawaii*—initial 50 homes—130 dollars, next 150 homes—99 dollars, next 800 homes—77 dollars, each additional home—68 dollars.

Payment Chart

The following chart illustrates the national average payment factors and food service payment rates for meals and snacks in effect from July 1, 2015, through June 30, 2016.

CHILD AND ADULT CARE FOOD PROGRAM (CACFP)

[Per meal rates in whole or fractions of U.S. dollars, effective from July 1, 2015–June 30, 2016]

Centers	Breakfast	Lunch and supper	Supplement [1]
CONTIGUOUS STATES:			
PAID	0.29	0.29	0.07
REDUCED PRICE	1.36	2.67	0.42
FREE	1.66	3.07	0.84
ALASKA:			
PAID	0.43	0.48	0.12
REDUCED PRICE	2.36	4.59	0.68
FREE	2.66	4.99	1.37
HAWAII:			
PAID	0.33	0.34	0.09
REDUCED PRICE	1.64	3.20	0.49
FREE	1.94	3.60	0.99

Day Care Homes	Breakfast		Lunch and Supper		Supplement	
	Tier I	Tier II	Tier I	Tier II	Tier I	Tier II
CONTIGUOUS STATES	1.32	0.48	2.48	1.50	0.74	0.20
ALASKA	2.11	0.75	4.02	2.43	1.20	0.33
HAWAII	1.54	0.55	2.90	1.75	0.86	0.24

[1] These rates do not include the value of USDA Foods or cash-in-lieu of USDA Foods which institutions receive as additional assistance for each CACFP lunch or supper served to participants. A notice announcing the value of USDA Foods and cash-in-lieu of USDA Foods is published separately in the **Federal Register**.

ADMINISTRATIVE REIMBURSEMENT RATES FOR SPONSORING ORGANIZATIONS OF DAY CARE HOMES

[Per home/per month rates in U.S. dollars]

	Initial 50	Next 150	Next 800	Each additional
CONTIGUOUS STATES	111	85	66	58
ALASKA	180	137	107	94
HAWAII	130	99	77	68

The changes in the national average payment rates for centers reflect a 2.97 percent increase during the 12-month period, May 2014 to May 2015, (from 247.952 in May 2014, as previously published in the **Federal Register**, to 255.322 in May 2015) in the food away from home series of the CPI for All Urban Consumers.

The changes in the food service payment rates for day care homes reflect a 0.63 percent increase during the 12-month period, May 2014 to May 2015, (from 239.504 in May 2014, as previously published in the **Federal Register**, to 241.019 in May 2015) in the food at home series of the CPI for All Urban Consumers.

The changes in the administrative reimbursement rates for sponsoring organizations of day care homes reflect a 0.04 percent decrease during the 12-month period, May 2014 to May 2015 (from 237.900 in May 2014, as previously published in the **Federal Register**, to 237.805 in May 2015) in the series for all items of the CPI for All Urban Consumers.

The total amount of payments available to each State agency for distribution to institutions participating in CACFP is based on the rates contained in this notice.

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

CACFP is listed in the Catalog of Federal Domestic Assistance under No. 10.558 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 2 CFR 415.3–415.6).

This notice has been determined to be not significant and was reviewed by the Office of Management and Budget (OMB) in conformance with Executive Order 12866.

This notice imposes no new reporting or recordkeeping provisions that are subject to OMB review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3518).

Authority: Sections 4(b)(2), 11a, 17(c) and 17(f)(3)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753(b)(2), 1759a, 1766(f)(3)(B)) and section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)).

Dated: July 12, 2015.

Audrey Rowe,

Administrator, Food and Nutrition Service.

[FR Doc. 2015–17597 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Forest Service

Forest Resource Coordinating Committee; Meetings

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Forest Resource Coordinating Committee (Committee) will meet via teleconference. The Committee is established consistent with the Federal Advisory Committee Act of 1972 (FACA) (5 U.S.C. App. II), and the Food, Conservation, and Energy Act of 2008 (the Act) (Pub. L. 110–246). Additional information concerning the Committee, including the meeting agenda, supporting documents and minutes, can be found by visiting the Committee's Web site at *http://www.fs.fed.us/spf/coop/frcc/.*

DATES: The teleconference will be held on July 15, 2015 from 12:00 p.m. to 1:00 p.m., Eastern Daylight Time (EDT). The meeting is subject to cancellation. For status of the meeting prior to attendance, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

ADDRESSES: The meeting will be held via web and telephone conferencing. Internet access is required to participate in the web-based conferencing. For anyone who would like to attend the teleconference, please visit the Web site listed in the **SUMMARY** section or contact Andrea Bedell-Loucks at *abloucks@fs.fed.us* for further details. Written comments may be submitted as described under **SUPPLEMENTARY INFORMATION**. All comments, including names and addresses when provided, are placed in the record and are available for public inspection and copying. The public may inspect comments placed on the Committee's Web site listed above.

FOR FURTHER INFORMATION CONTACT: Andrea Bedell-Loucks, Designated Federal Officer, Cooperative Forestry staff, 202–205–1190. Individuals who use telecommunication devices for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8:00 a.m. and 8:00 p.m., Eastern Standard Time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to:

1. Develop one pager for Under Secretary Bonnie, and

2. Develop the August Committee meeting agenda.

The teleconference is open to the public. However, the public is strongly encouraged to RSVP prior to the teleconference to ensure all related documents are shared with public meeting participants. The agenda will include time for people to make oral statements of three minutes or less. Anyone who would like to bring related matters to the attention of the Committee may file written statements with the Committee staff before or after the meeting. Written comments and time requests for oral comments must be sent to Laurie Schoonhoven, 1400 Independence Avenue SW., Mailstop 1123, Washington, DC 20250 or by email to *lschoonhoven@fs.fed.us.* A summary of the meeting will be posted on the Web site listed above within 21 days after the meeting.

Meeting Accommodations: If you are a person requiring reasonable accommodation, please make requests in advance for sign language interpreting, assistive listening devices or other reasonable accommodation for access to the facility or proceedings by contacting the person listed in the section titled For Further Information Contact. All reasonable accommodation requests are managed on a case by case basis.

Dated: July 13, 2015.

Debra S. Pressman,

Chief of Staff, State and Private Forestry.

[FR Doc. 2015–17592 Filed 7–16–15; 8:45 am]

BILLING CODE 3410–11–P

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Proposed Information Collection; Comment Request; Export License Services—Transfer of License Ownership, Request for a Duplicate License

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments must be submitted on or before September 15, 2015.

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue NW., Washington, DC 20230 (or via the Internet at *JJessup@doc.gov*).

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Mark Crace, BIS ICR Liaison, (202) 482–8093, *Mark.Crace@bis.doc.gov.*

SUPPLEMENTARY INFORMATION:

I. Abstract

This collection is needed to provide services to exporters who have either lost their original license and require a duplicate, or who wish to transfer their ownership of an approved license to another party.

II. Method of Collection

Submitted in paper form.

III. Data

OMB Control Number: 0694–0126.

Form Number(s): N/A.

Type of Review: Regular submission extension.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 110.

Estimated Time per Response: 16 to 66 minutes per response.

Estimated Total Annual Burden Hours: 38 hours.

Estimated Total Annual Cost to Public: 0.

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Sheleen Dumas,

Departmental PRA Lead, Office of the Chief Information Officer.

[FR Doc. 2015–17598 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–33–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–809]

Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2012–2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is amending the final results of the administrative review of the antidumping duty order on circular welded non-alloy steel pipe (CWP) from the Republic of Korea (Korea) to correct a ministerial error.[1] The period of review is November 1, 2012, through October 31, 2013.

DATES: Effective date: July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Joseph Shuler or Jennifer Meek, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington DC 20230; telephone (202) 482–1293 or (202) 482–2778, respectively.

Background

On June 5, 2015, the Department disclosed to interested parties its calculations for the Final Results.[2] On June 10, 2015, we received a timely ministerial error allegation from domestic interested parties (Allied Tube & Conduit and TMK IPSCO) regarding the Department's margin calculation for Hyundai HYSCO (HYSCO).[3]

Scope of the Order

The merchandise subject to the order is circular welded non-alloy steel pipe and tube. The product is currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description remains dispositive.[4]

Ministerial Error

Section 751(h) of the Tariff Act of 1930, as amended (''the Act''), and 19 CFR 351.224(f) define a ''ministerial error'' as an error ''in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any similar type of unintentional error which the Secretary considers ministerial.'' We analyzed the ministerial error allegation and determined, in accordance with section 751(h) of the Act and 19 CFR 351.224(e), that we made a ministerial error in our calculation of HYSCO's margin for the *Final Results* by inadvertently excluding from the comparison market program certain of HYSCO's home market sales observations.

In accordance with section 751(h) of the Act and 19 CFR 351.224(e), we are amending the *Final Results* with respect to HYSCO.[5] The revised weighted-average dumping margin for HYSCO is detailed below.

Amended Final Results

As a result of correcting this ministerial error, we determine that the following weighted-average dumping margin exists for the period November 1, 2012, through October 31, 2013:

Producer/exporter	Weighted-average dumping margin (percent)
Hyundai HYSCO	0.81

Assessment Rates

Pursuant to section 751(a)(2)(A) and (C) of the Act, and 19 CFR 351.212(b)(1), the Department has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of these amended final results of review.

For assessment purposes, HYSCO reported the name of the importer of record and the entered value for all of their sales to the United States during the period of review (POR). Accordingly, we calculated importer-specific *ad valorem* antidumping duty assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). Where an importer-specific assessment rate is zero or *de minimis* (*i.e.*, less than 0.5 percent), we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties in accordance with 19 CFR 351.106(c)(2).

For entries of subject merchandise during the POR produced by HYSCO for which it did not know were destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company or companies involved in the transaction. For a full discussion of this clarification, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

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[1] *See Circular Welded Non-Alloy Steel Pipe From the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2012–2013,* 80 FR 32937 (June 10, 2015) (*Final Results*) and accompanying Issues and Decision Memorandum.

[2] *See* ''Final Results Calculation Memorandum for Hyundai HYSCO,'' dated June 3, 2015.

[3] *See* ''Circular Welded Non-Alloy Steel Pipe from Korea: Ministerial Error Comments,'' dated June 10, 2015.

[4] For a complete description of the scope of the order, *see* the Issues and Decision Memorandum accompanying the *Final Results.*

[5] *See* Memorandum from Joseph Shuler, International Trade Analyst, to James Maeder, Senior Director, Office I, ''Ministerial Error Allegation in the 2012–2013 Administrative Review of the Antidumping Duty Order on Circular Welded Non-Alloy Steel Pipe from Republic of Korea.''

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of amended final results of administrative review for all shipments of subject merchandise entered or withdrawn from warehouse, for consumption, on or after the date of publication as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for HYSCO will be equal to the respective weighted-average dumping margin established in the final results of this review; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which that manufacturer or exporter participated; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 4.80 percent, the ''all others'' rate established pursuant to a court decision.[6] These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Disclosure

We will disclose the calculations used in our analysis to parties to these proceedings within five days of the date of publication of this notice pursuant to 19 CFR 351.224(b).

These amended final results of administrative review are issued and published in accordance with sections 751(h) and 777(i)(1) of the Actand 19 CFR 351.224(f).

Dated: July 10, 2015.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2015–17622 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–DS–P

[6] *See Circular Welded Non-Alloy Steel Pipe From Korea: Notice of Final Court Decision and Amended Final Determination*, 60 FR 55833 (November 3, 1995).

DEPARTMENT OF COMMERCE

International Trade Administration

[C–570–982]

Utility Scale Wind Towers From the People's Republic of China: Rescission of Countervailing Duty Administrative Review; 2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is rescinding its administrative review of the countervailing duty (CVD) order on utility scale wind towers (wind towers) from the People's Republic of China (PRC) for the period January 1, 2014, through December 31, 2014.

DATES: *Effective date:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Kristen Johnson, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4793.

SUPPLEMENTARY INFORMATION:

Background

The Department initiated an administrative review of the CVD order on wind towers from the PRC with respect to 50 companies for the period January 1, 2014, through December 31, 2014, based on a request by the petitioner, the Wind Tower Trade Coalition (WTTC).[1] On July 1, 2015, WTTC timely withdrew its request for an administrative review of all 50 companies.[2] No other party requested a review.

Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review in whole or in part, if the party that requested a review withdraws its request within 90 days of the date of publication of notice of initiation of the requested review. In this case, WTTC withdrew its request for review within the 90-day deadline, and no other party requested an administrative review of the CVD order. Therefore, in accordance with 19 CFR 351.213(d)(1), we are rescinding this review in its entirety.

Assessment

The Department will instruct U.S. Customs and Border Protection (CBP) to assess CVDs on all entries of wind towers from the PRC during the period January 1, 2014, through December 31, 2014, at rates equal to the cash deposit of estimated CVDs required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). The Department intends to issue appropriate assessment instructions to CBP 15 days after the publication of this notice.

Notifications

This notice serves as a final reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO, in accordance with 19 CFR 351.305.(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation which is subject to sanction.

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act of 1930, as amended, and 19 CFR 351.213(d)(4).

Dated: July 10, 2015.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2015–17621 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–DS–P

[1] *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 80 FR 18202 (April 3, 2015).

[2] *See* Letter from the WTTC regarding ''Withdrawal of Request for Administrative Review'' (July 1, 2015).

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Proposed Amendment to the Puerto Rico Coastal Zone Management Program

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Office for Coastal Management, National Ocean Service, Commerce.

ACTION: Solicitation of Comments; Notice of Public Hearing on Proposed Amendment to Puerto Rico Coastal Management Program.

SUMMARY: The National Oceanic and Atmospheric Administration's (NOAA) Office for Coastal Management is soliciting comments on a program change amendment to the Puerto Rico Coastal Zone Management Program (PRCZMP). This notice describes the opportunities for public comment on the program change.

DATES: The hearing on the program amendment to the PRCMP will be held on Wednesday, September 2, 2015 at 9 a.m. local time at the Environmental Agencies Building, PR–8838 Km. 6.3, Auditorium 4th Floor, El Cinco, Rio Piedras, San Juan, Puerto Rico.

ADDRESSES: Please send written comments to Joelle Gore, Stewardship Division Chief (Acting), NOAA Office for Coastal Management, NOS/OCM/SD, 1305 East-West Highway, 10th Floor, Room 10622, N/OCM6, Silver Spring, Maryland 20910, or *Joelle.Gore@noaa.gov.*

FOR FURTHER INFORMATION CONTACT: Jackie Rolleri, at *Jackie.Rolleri@noaa.gov.*

SUPPLEMENTARY INFORMATION:

Background

The federal Coastal Zone Management Act provides incentives to encourage and assist states, commonwealths and territories to develop and implement programs to manage land and water uses which may affect coastal land and water resources. The PRCZMP was approved by NOAA in 1978. Since that time, statutory and regulatory changes have been made to the organizational structure of the land use agencies which comprise the PRCZMP, the land use authority of local governments, and permit review process. These changes are in force and being implemented as laws of the Commonwealth pursuant to the Puerto Rico Permit Process Reform Act of 2009 (Law 161), as amended by Law 151 of 2013, and pursuant to the Autonomous Municipalities Act of 1991 (Law 81). In order to demonstrate that the program continues to meet the requirements for program approval established under the Coastal Zone Management Act and its implementing regulations, the Department of Natural and Environmental Resources has submitted these changes to NOAA for approval. Copies of the proposed changes are available by navigating from the Department of Natural and Environmental Resources homepage at *http://www.drna.gobierno.pr/.*

NOAA's Office for Coastal Management has determined that these changes are a program amendment. As such, NOAA is required to hold a public hearing on the amendment. The focus of the hearing is whether the PRCZMP continues to meet the requirements for program approval as specified in the Coastal Zone Management Program regulations at 15 CFR part 923. For those interested in making oral statements at the public hearing, the submission of supplemental written comments is encouraged.

In addition to the hearing, NOAA is soliciting written comments from the public on the amendment. Written comments will be accepted before and after the public hearing through September 23, 2015.

Federal Domestic Assistance Catalog 11.419

Coastal Zone Management Program Administration

Dated: July 9, 2015.

Christopher C. Cartwright,

Associate Assistant Administrator for Management and CFO/CAO, Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration.

[FR Doc. 2015–17426 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–08–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XE052

North Pacific Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of a public meeting.

SUMMARY: The North Pacific Fishery Management Council's (Council) Legislative Committee will meet by teleconference.

DATES: The meeting will be held on August 4, 2015, 1 p.m. to 5 p.m., please call NMFS–AKR–RA Conference Line 907–586–7060 (max 30).

ADDRESSES: North Pacific Fishery Management Council, 605 W. 4th Avenue, Suite 306 Anchorage, AK 99501–2252.

FOR FURTHER INFORMATION CONTACT: Chris Oliver, Executive Director; phone: (907) 271–2809.

SUPPLEMENTARY INFORMATION: The Committee will discuss and develop comments on pending legislation regarding Magnuson-Stevens Act reauthorization or other fisheries related legislation. The Agenda is subject to change, and the latest version will be posted at *http://www.npfmc.org/.*

Special Accommodations

The meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Shannon Gleason at (907) 271–2809 at least 7 working days prior to the meeting date.

Dated: July 14, 2015.

Tracey L. Thompson,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2015–17590 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Submission for OMB Review; Comment Request

The Department of Commerce will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: National Oceanic and Atmospheric Administration (NOAA).

Title: Pacific Islands Region Coral Reef Ecosystems Permit Forms.

OMB Control Number: 0648–0463.

Form Number(s): None.

Type of Request: Regular (revision and extension of a currently approved information collection).

Number of Respondents: 5.

Average Hours per Response: Applications, 2 hours each; appeals, 3 hours.

Burden Hours: 13.

Needs and Uses: This request is for revision and extension of a current information collection.

National Marine Fisheries Service (NMFS) requires, as codified under 50 CFR part 665, any person (1) fishing for,

taking, retaining, or using a vessel to fish for Western Pacific coral reef ecosystem management unit species in the designated low-use Marine Protected Areas, (2) fishing for any of these species using gear not specifically allowed in the regulations, or (3) fishing for, taking, or retaining any Potentially Harvested Coral Reef Taxa in the coral reef ecosystem regulatory area, to obtain and carry a permit. A receiving vessel owner must also have a transshipment permit for at-sea transshipment of coral reef ecosystem management unit species. The permit application form provides basic information about the permit applicant, vessel, fishing gear and method, target species, projected fishing effort, *etc.,* for use by NMFS and the Western Pacific Fishery Management Council in determining eligibility for permit issuance. The information is important for understanding the nature of the fishery and provides a link to participants. It also aids in the enforcement of Fishery Ecosystem Plan measures.

The two forms have been combined and minor changes made.

Affected Public: Business or other for-profit organizations; individuals or households.

Frequency: Annually.

Respondent's Obligation: Mandatory.

This information collection request may be viewed at *reginfo.gov.* Follow the instructions to view Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to *OIRA_Submission@omb.eop.gov* or fax to (202) 395–5806.

Dated: July 13, 2015.

Sarah Brabson,

NOAA PRA Clearance Officer.

[FR Doc. 2015–17509 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XE053

New England Fishery Management Council; Public Meetings

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice; public hearings.

SUMMARY: The New England Fishery Management Council (Council) will hold five public hearings and one webinar to solicit Public comments on Draft Amendment 18 to the Northeast Multispecies Fishery Management Plan (FMP).

DATES: The meetings will be held August 3–20, 2015. For specific dates and times see **SUPPLEMENTARY INFORMATION.** Written Public comments must be received on or before 5 p.m. EST, Friday, August 31, 2015.

ADDRESSES: The Public document can be obtained by contacting the New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950 at (978) 465–0492 or on their Web site at *www.nefmc.org.*

Meeting addresses: The meetings will be held in Portland, ME, Portsmouth, NH, New Bedford, MA, Mystic, CT, Gloucester, MA and via webinar. For specific locations, see **SUPPLEMENTARY INFORMATION.**

Public comments: Mail to John K. Bullard, Regional Administrator, NMFS, Northeast Regional Office, 55 Great Republic Drive, Gloucester, MA 01930. Mark the outside of the envelope ''DEIS for Amendment 18 to the Northeast Multispecies FMP''. Comments may also be sent via fax to 978–281–9135 or submitted via email to *nmfs.gar.Amendment18@noaa.gov* with ''DIES for Amendment 18 to the Northeast Multispecies FMP'' in the subject line.

FOR FURTHER INFORMATION CONTACT: Thomas Nies, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

SUPPLEMENTARY INFORMATION: The agendas for the following six hearings are as follows: NEMFC staff will brief the public on the northeast multispecies amendments and the contents of the DEIS prior to opening the hearing for public comments. The schedule is as follows:

Public Hearings: Locations, Schedules, and Agendas

1. Monday, August 3, 2015, from 6–8 p.m.; Holiday Inn by the Bay, 88 Spring Street, Portland, ME 04101; telephone: (207) 775–2311.

2. Tuesday, August 4, 2015, from 6–8 p.m.; Best Western Plus Wynwood Hotel, 580 US Highway 1 Bypass, Portsmouth, NH 03801; telephone: (603) 436–7600.

3. Monday, August 10, 2015, from 6–8 p.m.; Fairfield Inn & Suites, 185 MacArthur Drive, New Bedford, MA 02740; telephone: (774) 634–2000.

4. Thursday, August 13, 2015, from 6–8 p.m.; Hyatt Place Hotel, 224 Greenmanville Avenue, Mystic, CT 06335; telephone: (860) 536–9997.

5. Tuesday, August 18, 2015, from 6–8 p.m.; Massachusetts Division of Marine Fisheries, Annisquam River Marine Fisheries Station, 30 Emerson Ave., Gloucester, MA 01930; telephone: (978) 282–0308.

6. Thursday, August 20, 2015, from 6–8 p.m.; Webinar hearing, register to participate *https://attendee.gotowebinar.com/register/2899621437233775618.* Call in info: Toll: +1 (702) 489–0003, Access code 211–601–302.

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Thomas Nies (see **ADDRESSES**), at least 5 working days prior to the meeting date.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: July 14, 2015.

Tracey L. Thompson,

Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2015–17591 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

Submission for OMB Review; Comment Request; ''Fee Deficiency Submissions''

The Department of Commerce will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

Agency: United States Patent and Trademark Office, Commerce.

Title: Fee Deficiency Submissions.

OMB Control Number: 0651–0070.

Form Number(s): None.

Type of Request: Regular.

Number of Respondents: 3,000.

Average Minutes per Response: 120.

Burden Hours: 6,000.

Cost Burden: $517.50.

Needs and Uses: The Leahy-Smith America Invents Act (''Act'') was enacted into law on September 16, 2011. See Public Law 112–29, 125 Stat. 283 (2011). Under section 10(b) of the Act, eligible small entities shall receive a 50 percent fee reduction from the undiscounted fees for filing, searching, examining, issuing, appealing, and maintaining patent applications and patents. The Act further provides that micro entities shall receive a 75 percent

fee reduction from the undiscounted fees for filing, searching, examining, issuing, appealing, and maintaining patent applications and patents.

This information collection covers the submissions made by patent applicants and patentees to excuse small and micro entity fee payment errors, in accordance with the procedures set forth in 37 CFR 1.28(c) and 1.29(k). Specifically, 37 CFR 1.28(c) provides a procedure by which patent applicants and patentees may be excused for erroneous payments of fees in the small entity amount. 37 CFR 1.29(k) provides a procedure by which patent applicants and patentees may be excused for erroneous payments of fees in the micro entity amount.

This information collection is necessary so that patent applicants and patentees may pay the balance of fees due (*i.e.,* make a fee deficiency payment) when a fee was previously paid in error in a micro or small entity amount. The USPTO needs the information to be able to process and properly record a fee deficiency payment to avoid questions arising later either for the USPTO or for the applicant or patentee as to whether the proper fees have been paid in the application or patent. This renewal seeks to extend the authority of USPTO to collect the balance of fees due from those who may have such an outstanding balance (*i.e.,* a fee deficiency).

Affected Public: Businesses or other for-profits; not-for-profit institutions.

Frequency: On occasion.

Respondent's Obligation: Required to obtain or retain benefits.

OMB Desk Officer: Nicholas A. Fraser, email: *Nicholas_A._Fraser@omb.eop.gov*.

Once submitted, the request will be publicly available in electronic format through *reginfo.gov*. Follow the instructions to view Department of Commerce collections currently under review by OMB.

Further information can be obtained by:

- *Email: InformationCollection@uspto.gov*. Include ''0651–0070 copy request'' in the subject line of the message.
- *Mail:* Marcie Lovett, Records Management Division Director, Office of the Chief Information Officer, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313–1450.

Written comments and recommendations for the proposed information collection should be sent on or before August 17, 2015 to Nicholas A. Fraser, OMB Desk Officer, via email to *Nicholas_A._Fraser@omb.eop.gov,* or by fax to 202–395–5167, marked to the attention of Nicholas A. Fraser.

Dated: July 10, 2015.

Marcie Lovett,

Records Management Division Director, USPTO Office of the Chief Information Officer.

[FR Doc. 2015–17570 Filed 7–16–15; 8:45 am]

BILLING CODE 3510–16–P

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

Procurement List; Proposed Additions and Deletions

AGENCY: Committee for Purchase From People Who Are Blind or Severely Disabled.

ACTION: Proposed additions to and deletions from the Procurement List.

SUMMARY: The Committee is proposing to add services to the Procurement List that will be provided by nonprofit agencies employing persons who are blind or have other severe disabilities, and deletes products previously furnished by such agencies.

DATES: Comments must be received on or before: 8/17/2015.

ADDRESSES: Committee for Purchase From People Who Are Blind or Severely Disabled, 1401 S. Clark Street, Suite 715, Arlington, Virginia, 22202–4149.

FOR FURTHER INFORMATION CONTACT: Barry S. Lineback, Telephone: (703) 603–7740, Fax: (703) 603–0655, or email *CMTEFedReg@AbilityOne.gov.*

SUPPLEMENTARY INFORMATION: This notice is published pursuant to 41 U.S.C. 8503(a)(2) and 41 CFR 51–2.3. Its purpose is to provide interested persons an opportunity to submit comments on the proposed actions.

Additions

If the Committee approves the proposed additions, the entities of the Federal Government identified in this notice will be required to provide the services listed below from nonprofit agencies employing persons who are blind or have other severe disabilities.

The following services are proposed for addition to the Procurement List for production by the nonprofit agencies listed:

Services

Service Type: Custodial Service
Service Mandatory for: U.S. Department of Defense Education Activity, Domestic Dependent Elementary and Secondary Schools (DDESS), Fort Bragg Community Schools, Fort Bragg, NC
Mandatory Source of Supply: Chimes District of Columbia (DC), Baltimore, MD
Contracting Activity: DDESS Area Service Center, Procurement Division, Peachtree City, GA

Service Type: Dining Facility Attendant Service
Service Mandatory for: U.S. Army, Mission and Installation Contracting Command, 1792 12th Street, Fort Riley, KS
Mandatory Source of Supply: Lakeview Center, Inc., Pensacola, FL
Contracting Activity: Dept of the Army, W6QM MICC–FT RILEY, Fort Riley, KS

Service Type: Inbound Mail Management Service
Service Mandatory for: Defense Finance and Accounting Service R & A, 1240 E. 9th Street, Cleveland, OH
Mandatory Source of Supply: Anthony Wayne Rehabilitation Center for Handicapped and Blind, Inc., Fort Wayne, IN
Contracting Activity: Defense Finance and Accounting Service Contract Services Directorate, Columbus, OH

Deletions

The following products are proposed for deletion from the Procurement List:

Products

NSN(s)—Product Name(s):
7530–01–072–2533—Paper, Mimeograph and Duplicating
Mandatory Source of Supply: Louisiana Association for the Blind, Shreveport, LA
Contracting Activity: General Services Administration, New York, NY

NSN(s)—Product Name(s):
7510–01–587–3931—Refill, Pencil Lead, Bio-Based and Biodegradable Pencil
7520–01–587–3932—Pencil, Mechanical, Bio-Based and Biodegradable
7520–01–587–3933—Pencil, Mechanical, Bio-Based and Biodegradable
7520–01–587–3934—Pencil, Mechanical, Bio-Based and Biodegradable
7520–01–587–3935—Pencil, Mechanical, Bio-Based and Biodegradable
7510–01–587–3936—Refill, Pencil Lead, Bio-Based and Biodegradable Pencil
Mandatory Source of Supply: San Antonio Lighthouse for the Blind, San Antonio, TX
Contracting Activity: General Services Administration, New York, NY

NSN(s)—Product Name(s):
7530–00–160–8476—Index Sheet Sets, Alphabetical, 9 ½″ x 6″, Buff
7530–01–456–6079—Index Sheet Sets, Tab 50
7530–01–456–6078—Index Sheet Sets, Tab 31
7530–01–456–6077—Index Sheet Sets, Tab 26
7530–01–456–6076—Index Sheet Sets, Tab 49
7530–01–456–6075—Index Sheet Sets, Tab 47
7530–01–456–6074—Index Sheet Sets, Tab 21
7530–01–456–6073—Index Sheet Sets, Tab 48
7530–01–456–6072—Index Sheet Sets, Tab 20

7530–01–456–6071—Index Sheet Sets, Tab 28
7530–01–456–6070—Index Sheet Sets, Tab 19
7530–01–456–6069—Index Sheet Sets, Tab 30
7530–01–456–6068—Index Sheet Sets, Tab 27
7530–01–456–6067—Index Sheet Sets, Tab 29
7530–01–456–6066—Index Sheet Sets, Tab 22
7530–01–456–6065—Index Sheet Sets, Tab 25
7530–01–456–6064—Index Sheet Sets, Tab 24
7530–01–456–6063—Index Sheet Sets, Tab 1
7530–01–456–6062—Index Sheet Sets, Tab 23
7530–01–456–6061—Index Sheet Sets, Tab 18
7530–01–456–6060—Index Sheet Sets, Tab 17
7530–01–456–6059—Index Sheet Sets, Tab 43
7530–01–456–6058—Index Sheet Sets, Tab 45
7530–01–456–6057—Index Sheet Sets, Tab 46
7530–01–456–6056—Index Sheet Sets, Tab 42
7530–01–456–6055—Index Sheet Sets, Tab 44
7530–01–456–6054—Index Sheet Sets, Tab 41
7530–01–456–6053—Index Sheet Sets, Tab 34
7530–01–456–6052—Index Sheet Sets, Tab 33
7530–01–456–6051—Index Sheet Sets, Tab 37
7530–01–456–6050—Index Sheet Sets, Tab 36
7530–01–456–6049—Index Sheet Sets, Tab 40
7530–01–456–6048—Index Sheet Sets, Tab 12
7530–01–456–6047—Index Sheet Sets, Tab 35
7530–01–456–6046—Index Sheet Sets, Tab 11
7530–01–456–6045—Index Sheet Sets, Tab 15
7530–01–456–6044—Index Sheet Sets, Tab 39
7530–01–456–6043—Index Sheet Sets, Tab 10
7530–01–456–6042—Index Sheet Sets, Tab 5
7530–01–456–6041—Index Sheet Sets, Tab 38
7530–01–456–6040—Index Sheet Sets, Tab 14
7530–01–456–6039—Index Sheet Sets, Tab 32
7530–01–456–6038—Index Sheet Sets, Tab 4
7530–01–456–6037—Index Sheet Sets, Tab 13
7530–01–456–6036—Index Sheet Sets, Tab 16
7530–01–456–6034—Index Sheet Sets, Tab 6
7530–01–456–6033—Index Sheet Sets, Tab 2
7530–01–456–6032—Index Sheet Sets, Tab 9
7530–01–456–6030—Index Sheet Sets, Tab 8
7530–01–456–6028—Index Sheet Sets, Tab 3
7530–01–456–6027—Index Sheet Sets, Tab 7
7530–01–456–2264—Index Sheet Sets, Tab O
7530–01–456–2263—Index Sheet Sets, Tab P
7530–01–456–2262—Index Sheet Sets, Tab N
7530–01–456–2261—Index Sheet Sets, Tab K
7530–01–456–2260—Index Sheet Sets, Tab L
7530–01–456–2259—Index Sheet Sets, Tab M
7530–01–456–2255—Index Sheet Sets, Tab T
7530–01–456–2254—Index Sheet Sets, Tab X
7530–01–456–2253—Index Sheet Sets, Tab Y
7530–01–456–2252—Index Sheet Sets, Tab S
7530–01–456–2251—Index Sheet Sets, Tab Z
7530–01–456–2250—Index Sheet Sets, Tab V
7530–01–456–2248—Index Sheet Sets, Tab W
7530–01–456–2247—Index Sheet Sets, Tab U
7530–01–456–2246—Index Sheet Sets, Tab R
7530–01–456–2245—Index Sheet Sets, Tab Q
7530–01–452–2043—Index Sheet Sets, Tab J
7530–01–452–2042—Index Sheet Sets, Tab H
7530–01–452–2041—Index Sheet Sets, Tab I
7530–01–452–2040—Index Sheet Sets, Tab D
7530–01–452–2039—Index Sheet Sets, Tab F
7530–01–452–2038—Index Sheet Sets, Tab G
7530–01–452–2037—Index Sheet Sets, Tab E
7530–01–452–2036—Index Sheet Sets, Tab C
7530–01–452–2035—Index Sheet Sets, Tab B
7530–01–452–2034—Index Sheet Sets, Tab A

Mandatory Source of Supply: Easter Seals Western and Central Pennsylvania, Pittsburgh, PA
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7510–01–386–2265—Pencil, Fine-Line Writing
7510–00–286–5750—Pencil, Fine-Line Writing
7510–00–286–5751—Pencil, Fine-Line Writing
7510–00–286–5755—Pencil, Fine-Line Writing

Mandatory Source of Supply: Central Association for the Blind & Visually Impaired, Utica, NY, Industries for the Blind, Inc., West Allis, WI
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7520–01–424–4855—Marker, Tube Type, Permanent Ink (Colossal) (Red)
7520–01–424–4870—Marker, Tube Type, Permanent Ink (Colossal) (Green)
7520–01–424–4880—Marker, Tube Type, Permanent Ink (Colossal) (Blue)

Mandatory Source of Supply: Dallas Lighthouse for the Blind, Inc., Dallas, TX
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7530–00–NIB–0557—Folder, Classification
7530–00–NIB–0061—Folder, Classification
7530–00–NIB–0062—Folder, Classification
7530–00–NIB–0063—Folder, Classification
7530–00–NIB–0064—Folder, Classification
7530–00–NIB–0065—Folder, Classification
7530–00–NIB–0068—Folder, Classification
7530–00–NIB–0069—Folder, Classification
7530–00–NIB–0070—Folder, Classification

Mandatory Source of Supply: Clovernook Center for the Blind and Visually Impaired, Cincinnati, OH
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7530–00–286–6983—Set, Index Sheet, 3 Hole Punched on 8½″ side, No Tab, Buff, 8½″ × 11″
7530–00–286–6984—Set, Index Sheet, 3 Hole Punched on 11″ side, No Tab, Buff, 8½″ × 11″

Mandatory Source of Supply: Louisiana Association for the Blind, Shreveport, LA
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
6505–01–009–2897—Mineral Oil, Lanolated
6505–00–890–2027—Mineral Oil, Lanolated

Mandatory Source of Supply: Montgomery County Chapter, NYSARC, Inc., Amsterdam, NY
Contracting Activity: Defense Logistics Agency Troop Support, Philadelphia, PA
NSN(s)—Product Name(s):
7210–01–244–9734—Mattress, Foam
7210–01–244–9735—Mattress, Foam

Mandatory Source of Supply: LC Industries, Inc., Durham, NC
7210–00–052–7327—Mattress, Foam
7210–00–290–8297—Mattress, Foam
7210–00–290–8298—Mattress, Foam
7210–00–290–8299—Mattress, Foam
7210–00–290–8300—Mattress, Foam

Mandatory Source of Supply: Winston-Salem Industries for the Blind, Inc., Winston-Salem, NC
Contracting Activity: Defense Logistics Agency Troop Support, Philadelphia, PA
NSN(s)—Product Name(s):
7530–00–NIB–0495—Index Tabs, Mylar Reinforced
7530–00–NIB–0494—Index Tabs, Mylar Reinforced
7530–00–NIB–0493—Index Tabs, Mylar Reinforced
7530–00–NIB–0492—Index Tabs, Mylar Reinforced

7530–00–NIB–0491—Index Tabs, Mylar Reinforced
7530–00–NIB–0490—Index Tabs, Mylar Reinforced
7530–00–NIB–0489—Index Tabs, Mylar Reinforced
Mandatory Source of Supply: South Texas Lighthouse for the Blind, Corpus Christi, TX
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7520–00–NIB–1359—Easel, Wallboard, Magnetic
7520–00–NIB–1358—Easel, Wallboard, Magnetic
7520–00–NIB–1357—Easel, Wallboard, Magnetic
Mandatory Source of Supply: The Lighthouse for the Blind, Inc. (Seattle Lighthouse), Seattle, WA
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
7510–01–458–1816—Pencil, Woodcased, Camouflage
7510–01–451–9176—Pencil, Woodcased
7510–01–357–8952—Pencil, Writing, Recycled
7510–00–281–5235—Pencil, General Writing
7510–00–286–5757—Pencil, General Writing
Mandatory Source of Supply: Industries for the Blind, Inc., West Allis, WI
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
6515–00–NIB–8020—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/ Inner Aloe coating, 3 mil (palm), Green, x-Large
6515–00–NIB–8019—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/ Inner Aloe coating, 3 mil (palm), Green, Large
6515–00–NIB–8018—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/ Inner Aloe coating, 3 mil (palm), Green, Medium
6515–00–NIB–8017—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/ Inner Aloe coating, 3 mil (palm), Green, Small
6515–00–NIB–8016—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/ Inner Aloe coating, 3 mil (palm), Green, x-Small
6515–00–NIB–7231—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/Aloe lining, Green, x-Large
6515–00–NIB–7230—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/Aloe lining, Green, Large
6515–00–NIB–7229—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/Aloe lining, Green, Medium
6515–00–NIB–7228—Gloves, Exam, Nitrile, Latex-Free, Powder-Free, W/Aloe lining, Green, Small
Mandatory Source of Supply: Bosma Industries for the Blind, Inc., Indianapolis, IN
Contracting Activity: Department of Veterans Affairs, NAC, Hines, IL
NSN(s)—Product Name(s):
7510–00–NIB–0566—Custom Planners & Accessory Kit
7510–00–NIB–0568—Custom Planners & Accessory Kit
7510–00–NIB–0571—Custom Planners & Accessory Kit
7510–00–NIB–0574—Custom Planners & Accessory Kit
7510–00–NIB–0576—Custom Planners & Accessory Kit
Mandatory Source of Supply: The Chicago Lighthouse for People Who Are Blind or Visually Impaired, Chicago, IL
Contracting Activity: General Services Administration, Household and Industrial Furniture, Arlington, VA
NSN(s)—Product Name(s):
7530–00–185–6752—Paper, Tabulating Machine
7530–00–144–9600—Paper, Tabulating
7530–00–144–9601—Paper, Tabulating
7530–00–144–9602—Paper, Tabulating
7530–00–144–9604—Paper, Tabulating
7530–00–185–6751—Paper, Tabulating
7530–00–185–6754—Paper, Tabulating
Mandatory Source of Supply: Association for Vision Rehabilitation and Employment, Inc., Binghamton, NY
Contracting Activity: General Services Administration, New York, NY
NSN(s)—Product Name(s):
MR 807—Spoon, Slotted, SS Trim
MR 809—Turner, Slotted, SS Trim
MR 810—Skimmer, Kitchen, SS Trim
MR 814—Spatula, Wide, SS Trim
MR 912—Duster, Microfiber
MR 913—Duster, Microfiber, Utility
Mandatory Source of Supply: Industries for the Blind, Inc., West Allis, WI
MR 844—Clip, Bag, Mini, Magnetic
MR 845—Plastic Bag Clip
Mandatory Source of Supply: The Lighthouse for the Blind, Inc. (Seattle Lighthouse), Seattle, WA
Contracting Activity: Defense Commissary Agency, Fort Lee, VA

Barry S. Lineback,
Director, Business Operations.

[FR Doc. 2015–17603 Filed 7–16–15; 8:45 am]
BILLING CODE 6353–01–P

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

Procurement List; Additions And Deletions

AGENCY: Committee for Purchase From People Who Are Blind or Severely Disabled.

ACTION: Additions to and deletions from the Procurement List.

SUMMARY: This action adds a product and service to the Procurement List that will be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, and deletes services from the Procurement List previously furnished by such agencies.

DATES: Effective date: 8/17/2015.

ADDRESSES: Committee for Purchase From People Who Are Blind or Severely Disabled, 1401 S. Clark Street, Suite 715, Arlington, Virginia 22202–4149.

FOR FURTHER INFORMATION CONTACT: Barry S. Lineback, Telephone: (703) 603–7740, Fax: (703) 603–0655, or email *CMTEFedReg@AbilityOne.gov.*

SUPPLEMENTARY INFORMATION:

Additions

On 6/5/2015 (80 FR 32096–32097) and 6/12/2015 (80 FR 33485–33489), the Committee for Purchase From People Who Are Blind or Severely Disabled published notices of proposed additions to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the product and service and impact of the additions on the current or most recent contractors, the Committee has determined that the product and service listed below are suitable for procurement by the Federal Government under 41 U.S.C. 8501–8506 and 41 CFR 51–2.4.

Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the product and service to the Government.

2. The action will result in authorizing small entities to furnish the product and service to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501–8506) in connection with the product and service proposed for addition to the Procurement List.

End of Certification

Accordingly, the following product and service are added to the Procurement List:

Product

NSN—Product Name: 7350–00–641–4518—Cup, Disposable, Paper, Squat-Style, Hot Food, White, 12 oz.
Mandatory Purchase for: Total Government Requirement
Mandatory Source of Supply: The Lighthouse for the Blind in New Orleans, Inc., New Orleans, LA
Contracting Activity: General Services Administration, Fort Worth, TX
Distribution: A-List

Service

Service Type: Laundry Service
Service Mandatory for: US Army, Asymmetric Warfare Training Center, Fort A.P. Hill, VA
Mandatory Source of Supply: Rappahannock Goodwill Industries, Inc., Fredericksburg, VA
Contracting Activity: Dept of the Army, W6QK ACC–APG DIR, Aberdeen Proving Ground, MD

Deletions

On 6/12/2015 (80 FR 33485–33489), the Committee for Purchase From People Who Are Blind or Severely Disabled published notice of proposed deletions from the Procurement List.

After consideration of the relevant matter presented, the Committee has determined that the services listed below are no longer suitable for procurement by the Federal Government under 41 U.S.C. 8501–8506 and 41 CFR 51–2.4.

Regulatory Flexibility Act Certification

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in additional reporting, recordkeeping or other compliance requirements for small entities.
2. The action may result in authorizing small entities to provide the services to the Government.
3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 8501–8506) in connection with the services deleted from the Procurement List.

End of Certification

Accordingly, the following services are deleted from the Procurement List:

Services

Service Type: Janitorial/Custodial Service
Service Mandatory for: OCIE Warehouse, Latrobe, PA
Mandatory Source of Supply: Rehabilitation Center and Workshop, Inc., Greensburg, PA
Contracting Activity: Dept of the Army, W6QM MICC Ctr-Ft Dix (RC), Fort Dix, NJ

Service Type: Repair of Adding Machines Service
Mandatory Source of Supply: Federation Employment and Guidance Service, Inc., New York, NY
Contracting Activity: General Services Administration, FPDS Agency Coordinator, Washington, DC

Service Type: Janitorial/Custodial Service
Service Mandatory for: Bureau of Land Management, Imperial County, CA
Mandatory Source of Supply: ACHIEVE Human Services. Inc., Yuma, AZ
Contracting Activity: Office of Policy, Management, and Budget, NBC Acquisition Services Division, Washington, DC

Service Type: Medical Transcription Service
Service Mandatory for: 355th Medical Supply-F5HOSP, 4175 South Alamo, Bldg 400, Davis-Monthan AFB, AZ
Mandatory Source of Supply: National Telecommuting Institute, Inc., Boston, MA
Contracting Activity: Dept of the Air Force, FA7014 AFDW PK, Andrews AFB, MD

Service Type: Mailroom Operation Service
Service Mandatory for: U.S. Army Corps of Engineers: Los Angeles District, Los Angeles, CA
Mandatory Source of Supply: Elwyn, Inc., Aston, PA
Contracting Activity: Office of Asst Secretary for Health Except National Centers, Mid-America CASU in Kansas City, Kansas City, MO

Service Type: Mailroom Operation Service
Service Mandatory for: Customs and Border Protection Laguna, Niguel Facilities, 24000 Avila Road, Laguna Niguel, CA
Mandatory Source of Supply: Landmark Services, Inc., Santa Ana, CA
Contracting Activity: Bureau of Customs and Border Protection, National Acquisition Center, Indianapolis, IN

Service Type: Janitorial/Grounds and Related Service
Service Mandatory for: Clearfield Federal Depot: Buildings C–6, C–7, D–5 and 2, Clearfield, UT
Mandatory Source of Supply: Pioneer Adult Rehabilitation Center Davis County School District, Clearfield, UT
Contracting Activity: General Services Administration, FPDS Agency Coordinator, Washington, DC

Service Type: Janitorial/Custodial Service
Service Mandatory for: VA Greater Los Angeles Regional Healthcare System, Consolidated Mail Outpatient Pharmacy, 11301 Wilshire Boulevard, Building 222, Los Angeles, CA
Mandatory Source of Supply: Job Options, Inc., San Diego, CA
Contracting Activity: Department of Veterans Affairs, NAC, Hines, IL

Service Type: Warehousing Operations Service
Service Mandatory for: O'Brien Warehouse, U.S. Geological Survey, Menlo Park Science Center, 1020 O'Brien Drive, Menlo Park, CA
Mandatory Source of Supply: Hope Services, San Jose, CA
Contracting Activity: Geological Survey, Office of Acquisition and Grants—Sacramento, CA

Service Type: Janitorial/Custodial Service,
Service Mandatory For: VA Outreach Center, 9737 Haskell Avenue, Sepulveda, CA
Mandatory Source of Supply: Job Options, Inc., San Diego, CA
Contracting Activity: Department of Veterans Affairs, NAC, Hines, IL

Service Type: Administrative Service
Service Mandatory for: GSA, Tucson PBS: Tucson Field Office, 300 W. Congress, Tucson, AZ
Mandatory Source of Supply: J.P. Industries, Inc., Tucson, AZ
Contracting Activity: General Services Administration, FPDS Agency Coordinator, Washington, DC

Service Type: Grounds Maintenance Service
Service Mandatory for: National Park Service: Golden Gate National Recreation Area, Fort Mason, San Francisco, CA
Contracting Activity: National Park Service, PWR Regional Contracting, San Francisco, CA

Barry S. Lineback,

Director, Business Operations.

[FR Doc. 2015–17604 Filed 7–16–15; 8:45 am]

BILLING CODE 6353–01–P

DEPARTMENT OF DEFENSE

Department of the Air Force

U.S. Air Force Partially Patent License

AGENCY: Rome, New York, Air Force Research Laboratory Information Directorate, Department of the Air Force, DOD.

ACTION: Notice of intent to issue a partially exclusive patent license.

SUMMARY: Pursuant to the provisions of part 404 of Title 37, Code of Federal Regulations, which implements Public Law 96–517, as amended, the Department of the Air Force announces its intention to grant Sky Tube Live, LLC, a corporation of New York, having a place of business at 1855 West Road, Oneida, New York 13421 a partially exclusive license in any right, title and interest the United States Air Force has in: U.S. Patent No. 8,732,100, issued on May 20th, 2014 entitled ''Method and Apparatus for Event Detection Permitting Per Event Adjustment of False Alarm Rate.''

FOR FURTHER INFORMATION CONTACT: An exclusive license for this patent will be granted unless a written objection is received within fifteen (15) days from the date of publication of this Notice. Written objections should be sent to: Air Force Research Laboratory, Office of the Staff Judge Advocate, AFRL/RIJ, 26 Electronic Parkway, Rome, New York 13441–4514. Telephone: (315) 330–2087; Facsimile (315) 330–7583.

Henry Williams Jr.,

Civ, Acting Air Force Federal Register Liaison Officer.

[FR Doc. 2015–17582 Filed 7–16–15; 8:45 am]

BILLING CODE 5001–10–P

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

Inland Waterways Users Board Meeting Notice

AGENCY: Department of the Army, U.S. Army Corps of Engineers, DoD.

ACTION: Notice of open Federal advisory committee meeting.

SUMMARY: The Department of the Army is publishing this notice to announce the following Federal advisory committee meeting of the U.S. Army Corps of Engineers, Inland Waterways Users Board (Board). This meeting is open to the public. For additional information about the Board, please visit the committee's Web site at *http://www.iwr.usace.army.mil/Missions/Navigation/InlandWaterwaysUsersBoard.aspx.*

DATES: The Army Corps of Engineers, Inland Waterways Users Board will meet from 9:00 a.m. to 1:00 p.m. on August 12, 2015. Public registration will begin at 8:15 a.m.

ADDRESSES: The Board meeting will be conducted at the Gaylord Opryland Resort Hotel & Convention Center, 2800 Opryland Drive, Nashville, TN 37214 at 615–889–1000 or *www.marriott.com/hotels/travel/bnago-gaylord-opryland-resort-and-convention-center.*

FOR FURTHER INFORMATION CONTACT: Mr. Mark R. Pointon, the Designated Federal Officer (DFO) for the committee, in writing at the Institute for Water Resources, U.S. Army Corps of Engineers, ATTN: CEIWR–GM, 7701 Telegraph Road, Casey Building, Alexandria, VA 22315–3868; by telephone at 703–428–6438; and by email at *Mark.Pointon@usace.army.mil.* Alternatively, contact Mr. Kenneth E. Lichtman, the Alternate Designated Federal Officer (ADFO), in writing at the Institute for Water Resources, U.S. Army Corps of Engineers, ATTN: CEIWR–GW, 7701 Telegraph Road, Casey Building, Alexandria, VA 22315–3868; by telephone at 703–428–8083; and by email at *Kenneth.E.Lichtman@usace.army.mil.*

SUPPLEMENTARY INFORMATION: The committee meeting is being held under the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552b, as amended), and 41 CFR 102–3.150.

Purpose of the Meeting: The Board is chartered to provide independent advice and recommendations to the Secretary of the Army on construction and rehabilitation project investments on the commercial navigation features of the inland waterways system of the United States. At this meeting, the Board will receive briefings and presentations regarding the investments, projects and status of the inland waterways system of the United States and conduct discussions and deliberations on those matters. The Board is interested in written and verbal comments from the public relevant to these purposes.

Proposed Agenda: At this meeting the agenda will include the status of funding for inland navigation projects and studies, the status of the Inland Waterways Trust Fund, the status of the Olmsted Locks and Dam Project, the Locks and Dams 2, 3, and 4 Monongahela River Project, Chickamauga Lock Project and Kentucky Lock Project, an update of the Inland Marine Transportation System (IMTS) Capital Investment Program (Capital Investment Strategy), proposed modifications of the Lock Performance Monitoring System (LPMS) Reporting Process, proposed process modifications for reporting navigation notices to maritime interests, and a retrospective of the 2010 Cumberland River High Water and Nashville Flooding.

Availability of Materials for the Meeting. A copy of the agenda or any updates to the agenda for the August 12, 2015 meeting. The final version will be provided at the meeting. All materials will be posted to the Web site after the meeting.

Public Accessibility to the Meeting: Pursuant to 5 U.S.C. 552b, as amended, and 41 CFR 102–3.140 through 102–3.1 65, and subject to the availability of space, this meeting is open to the public. Registration of members of the public who wish to attend the meeting will begin at 8:15 a.m. on the day of the meeting. Seating is limited and is on a first-to-arrive basis. Attendees will be asked to provide their name, title, affiliation, and contact information to include email address and daytime telephone number at registration. Any interested person may attend the meeting, file written comments or statements with the committee, or make verbal comments from the floor during the public meeting, at the times, and in the manner, permitted by the committee, as set forth below.

Special Accommodations: The meeting venue is fully handicap accessible, with wheelchair access. Individuals requiring special accommodations to access the public meeting or seeking additional information about public access procedures, should contact Mr. Pointon, the committee DFO, or Mr. Lichtman, the ADFO, at the email addresses or telephone numbers listed in the **FOR FURTHER INFORMATION CONTACT** section, at least five (5) business days prior to the meeting so that appropriate arrangements can be made.

Written Comments or Statements: Pursuant to 41 CFR 102–3.105(j) and 102–3.140 and section 10(a)(3) of the Federal Advisory Committee Act, the public or interested organizations may submit written comments or statements to the Board about its mission and/or the topics to be addressed in this public meeting. Written comments or statements should be submitted to Mr. Pointon, the committee DFO, or Mr. Lichtman, the committee ADFO, via electronic mail, the preferred mode of submission, at the addresses listed in the **FOR FURTHER INFORMATION CONTACT** section in the following formats: Adobe Acrobat or Microsoft Word. The comment or statement must include the author's name, title, affiliation, address, and daytime telephone number. Written comments or statements being submitted in response to the agenda set forth in this notice must be received by the committee DFO or ADFO at least five (5) business days prior to the meeting so that they may be made available to the Board for its consideration prior to the meeting. Written comments or statements received after this date may not be provided to the Board until its next meeting. Please note that because the Board operates under the provisions of the Federal Advisory Committee Act, as amended, all written comments will be treated as public documents and will be made available for public inspection.

Verbal Comments: Members of the public will be permitted to make verbal comments during the Board meeting only at the time and in the manner allowed herein. If a member of the public is interested in making a verbal comment at the open meeting, that individual must submit a request, with a brief statement of the subject matter to be addressed by the comment, at least three business (3) days in advance to the committee DFO or ADFO, via electronic mail, the preferred mode of submission, at the addresses listed in the **FOR FURTHER INFORMATION CONTACT** section. The committee DFO and ADFO will log each request to make a comment, in the order received, and determine whether the subject matter of each comment is relevant to the Board's mission and/or the topics to be addressed in this public meeting. A 15-minute period near the end of meeting will be available for verbal public comments. Members of

the public who have requested to make a verbal comment and whose comments have been deemed relevant under the process described above, will be allotted no more than three (3) minutes during this period, and will be invited to speak in the order in which their requests were received by the DFO and ADFO.

Brenda S. Bowen,

Army Federal Register Liaison Officer .

[FR Doc. 2015–17538 Filed 7–16–15; 8:45 am]

BILLING CODE 3720–58–P

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

Intent To Prepare a Programmatic Environmental Impact Statement for the Mouse River Enhanced Flood Protection Plan From Burlington, North Dakota Through Minot, North Dakota

AGENCY: U.S. Army Corps of Engineers, DoD.

ACTION: Notice of intent.

SUMMARY: In compliance with the National Environmental Policy Act (NEPA), the U.S. Army Corps of Engineers, St. Paul District (USACE) announces the intent to prepare a programmatic Environmental Impact Statement (EIS) for the Mouse River Enhanced Flood Protection Plan (MREFPP) from Burlington, North Dakota, to a point downstream of Minot, North Dakota. The purpose of the document is to evaluate the environmental impacts associated with the MREFPP.

FOR FURTHER INFORMATION CONTACT: Questions about the proposed action and programmatic EIS may be directed to: U.S. Army Corps of Engineers, St. Paul District, ATTN: Mr. Terry J. Birkenstock, Deputy Chief, Regional Planning & Environment Division North, 180 Fifth Street East, Suite 700, St. Paul, MN 55101–1678; telephone: (651) 290–5264; email *terry.birkenstock@usace.army.mil.*

SUPPLEMENTARY INFORMATION:

Background

The Mouse River (alternatively known as the Souris River) is approximately 435 miles long. The river begins in the southeastern portion of the Canadian province of Saskatchewan, flows south and east through north central North Dakota, and then turns north before returning to Canada in southwest Manitoba.

Most of the annual flow on the Mouse River is attributed to snow melt and spring rains. In June 2011, heavy rains in the upstream portions of the watershed exceeded the storage capacity of upstream reservoirs already full from the April snowmelt. Flows in excess of 26,900 cubic feet per second (cfs) overwhelmed the existing Federal flood risk management projects (designed to pass 5,000 cfs from Burlington to Minot) and emergency flood fighting efforts, causing over $690 million in damages to more than 4,700 structures.

The MREFPP Preliminary Engineering Report (PER) was developed for the North Dakota State Water Commission in February 2012. Implementation of the MREFPP is expected to extend over 20 years and involves the construction of more than 30 segments. Features of the MREFPP include 17.5 miles of new levees, 1.4 miles of channel realignment, 2 high-flow bypasses, 2.8 miles of new floodwalls, 6 bridge modifications, and 126 acres of overbank excavation. Additional details on the MREFPP PER can be found at mouseriverplan.com.

Proposed Action

The Souris River Joint Water Resources Board (SRJB) has proposed to move forward with the design and construction of the first three segments of the MREFPP, which includes approximately 2 miles of levees and 1,500 feet of floodwall. These segments would not, by themselves, provide independent utility for flood risk management. Features in the Burlington through Minot reach of the MREFPP are interdependent in the proposal for flood risk management and provide independent flood risk management benefits. Therefore, all effects associated with features in the Burlington through Minot reach of the MREFPP will be included in the scope of analysis evaluated through the programmatic EIS.

Federal Involvement

Construction of the MREFPP will require alteration of existing Federal flood risk management projects. Such alterations may be approved by the Secretary of the Army under the authority of 33 U.S.C. 408 (Section 408). Although the Federal government will not be constructing the alterations, approval of the alterations is a Federal action and therefore requires compliance with the NEPA and other applicable environmental laws including, but not limited to, the National Historical Preservation Act of 1966 (NHPA) and the Endangered Species Act of 1973 (ESA). Additionally, as part of the MREFPP, discharges of fill material have been proposed in waters of the United States, requiring a permit from USACE under 33 U.S.C. 1344 (Section 404 of the Clean Water Act). Issuance of a Section 404 permit is considered a Federal action, triggering NEPA, NHPA, and ESA obligations. Coordination with other Federal agencies will take place throughout the scoping process. USACE will act as the lead Federal agency for environmental compliance with the NEPA.

Scoping

Significant resources and issues have been and will continue to be identified through public meetings and coordination with Federal, State, and local agencies. A number of public meetings have been held to discuss the project, including meetings hosted by USACE on April 8, 2015, in Burlington and April 9, 2015 in Minot. An additional public scoping meeting will be held on August 19, 2015, at the Minot Municipal Auditorium, Room 201, 420 3rd Ave SW. in Minot, North Dakota. An open house will run from 6 p.m. until 7 p.m. central standard time and will be followed by presentations and public comment.

Preparation of the EIS is expected to take several months. It is anticipated that the programmatic EIS for the MREFPP will be available for public review in the summer/fall of 2016.

Dated: July 2, 2015.

Daniel C. Koprowski,

Colonel, Corps of Engineers, District Commander.

[FR Doc. 2015–17670 Filed 7–16–15; 8:45 am]

BILLING CODE 3720–58–P

DEPARTMENT OF DEFENSE

Department of the Navy

Notice of Intent To Conduct Restoration Planning and To Prepare a Draft Damage Assessment Restoration Plan Environmental Assessment for the Omega 707 Air Tanker Crash of May 18, 2011 at Mugu Lagoon, Naval Base Ventura County Point Mugu, CA

AGENCY: Department of the Navy, DoD.

ACTION: Notice.

SUMMARY: Pursuant to section 1006 of the Oil Pollution Act of 1990 (OPA), 33 U.S.C. 2701 *et seq.,* and Section (102)(2)(c) of the National Environmental Policy Act of 1969 and the regulations implemented by the Council on Environmental Quality (40 CFR parts 1500–1508), the Department of the Navy (DoN), acting through Commander Navy Region Southwest (CNRSW), and in coordination with the

U.S. Department of Interior Fish and Wildlife Service (USFWS), and the California Department of Fish and Wildlife Office of Spill Prevention and Response (CDFW–OSPR), announces its intent to conduct restoration planning and to prepare a draft Damage Assessment Restoration Plan (DARP) Environmental Assessment (EA) for the Omega 707 Air Tanker Crash of May 18, 2011 at Mugu Lagoon, Naval Base Ventura County (NBVC) Point Mugu, CA.

On May 18, 2011, a Boeing K707 aerial refueling tanker, carrying approximately 10,000 gallons of jet fuel, operated by Omega Air Inc., crashed during take-off on Runway 21 into Mugu Lagoon at the end of Point Mugu Taxiway Alpha at NBVC Point Mugu. Spill response crews protected most of the lagoon and were able to limit crash impacts to an area of approximately 79 acres of wetlands. The crash scattered debris and different portions of the plane, scoured tracks into the marsh, and left the remaining fuselage partially buried in mudflats. A Unified Command (UC) was instituted immediately following the incident that consisted of staff from NBVC Point Mugu, CDFW–OSPR, U.S. Coast Guard, USFWS, and aircraft owner Omega Air, Inc. The UC oversaw the emergency response and spill containment debris clean-up operations.

The natural resources trustees (Trustees) under OPA are the CNRSW, USFWS and CDFW–OSPR and are acting in accordance with the natural resources authorities provided by the OPA, the Federal Water Pollution Control Act (FWPCA), the Clean Water Act (CWA), and other applicable Federal laws and regulations including the National Oil and Hazardous Substances Pollution Contingency Plan (NCP) (40 CFR 300.600–300.615), the Natural Resource Damage Assessment (NRDA) regulations applicable to OPA (15 CFR part 990), and the DoN Environmental Readiness Program Manual (OPNAVINST 5090.1D). USFWS and CDFW–OSPR are co-Trustees in this response, with CNRSW serving as lead Trustee. As owner and operator of the crashed plane from which the fire and release occurred, the Trustees identified Omega Air, Inc. as the Responsible Party (RP). The Trustees have coordinated with representatives of the RP on NRDA activities.

The Trustees began the pre-assessment phase of the NRDA in accordance with 15 CFR 990.40, to determine if they had jurisdiction to pursue restoration under OPA, and, if so, whether it was appropriate to do so. During the pre-assessment phase, the Trustees collected and analyzed the following:

1. Data reasonably expected to be necessary to make a determination of jurisdiction or a determination to conduct restoration planning;
2. Ephemeral data; and/or
3. Information needed to design or implement anticipated emergency restoration and/or assessment as part of the restoration planning phase.

The NRDA regulations provide that the Trustees are to prepare a Notice of Intent to Conduct Restoration Planning (Notice) if they determine certain conditions have been met, and if they decide to quantify the injuries to natural resources and to develop a restoration plan. This Notice announces, pursuant to 15 CFR 990.44, that the Trustees, having collected and analyzed data, intend to proceed with restoration planning actions to address injuries to natural resources resulting from the crash. The purpose of this restoration planning effort is to further evaluate injuries to natural resources and services and to use that information to determine the need for, type of, and scale of compensatory restoration actions.

Dates and Addresses: The Trustees invite and encourage Federal, State, and local agencies, American Indian tribes, and interested persons to provide written comments on this Notice and the proposed DARP EA to ensure that all relevant issues are considered. All written comments may be submitted through the point of contact listed below and must be received by August 17, 2015 to ensure they become part of the official record. Written comments or questions on this Notice and the scope of the proposed DARP EA and its process, requests for inclusion on the mailing list, and requests for copies of any documents associated with the DARP EA should be directed to: Navy Region Southwest, Attention: Ms. Deb McKay, Code N40, Pt Mugu Omega Air Tanker Crash Spill, 937 North Harbor Drive, Box 81, San Diego, CA 92132.

FOR FURTHER INFORMATION CONTACT: Navy Region Southwest, Attention: Ms. Deb McKay, Code N40, Pt Mugu Omega Air Tanker Crash Spill, 937 North Harbor Drive, Box 81, San Diego, CA 92132, Phone: 619–532–2284, or *deborah.mckay@navy.mil.*

SUPPLEMENTARY INFORMATION:

Authorities. Pursuant to section 1006 of the OPA, Federal and State Trustees for natural resources are authorized to:

1. Assess natural resource injuries resulting from a discharge of oil or the substantial threat of a discharge and response activities, and
2. Develop and implement a plan for restoration of such injured resources.

The Federal Trustees are designated pursuant to the NCP and Executive Order 12777 (Implementation of Section 311 of the FWPCA of October 18, 1972, as amended, and the OPA). State Trustees for California are designated pursuant to the NCP and the ''Governor's Designation of State Natural Resource Trustees under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the OPA, and California Health and Safety Code'' § 25352(c), dated October 5, 2007.

Determination of Jurisdiction. The Trustees have determined that impacts from the air tanker crash on May 18, 2011, and subsequent fire and oil spill into wetlands at NBVC Point Mugu require restoration planning pursuant to 15 CFR 990.44. After the crash event, the Trustees conducted impact minimization and clean up measures to protect the rest of Mugu Lagoon but injuries still occurred to the natural resources and services of the site. Therefore, a NRDA restoration planning effort is required to evaluate those injuries and to determine appropriate restoration actions.

The Trustees have determined that they have jurisdiction to pursue restoration planning pursuant to the OPA in order to resolve liability for injuries to natural resources and services. Specifically, the Trustees have determined pursuant to 15 CFR 990.41:

1. The crash of the aircraft resulted in a discharge of oil into and upon navigable waters of the U.S. and such occurrence constitutes an ''Incident'' within the meaning of 15 CFR 990.30;
2. The Incident was not permitted pursuant to Federal, State, or local law; was not from a public vessel; and was not from an onshore facility subject to the Trans-Alaska Pipeline Authority Act (43 U.S.C. 1651 *et seq.*); and
3. Natural resources under the trusteeship of the Trustees have been injured as a result of the Incident.

Using information gathered since the crash, during the response, and the NRDA initiation phase, the Trustees have determined that the crash injured natural resources under the trusteeship of the Trustees. The air tanker crash and subsequent fire, oil spill, and cleanup action is known to have impacted aquatic organisms, vegetation, birds, wildlife, geologic resources, and hydrology. The incident exposed these resources to oil, metals, and contaminants of potential concern. The response use of heavy equipment to remove debris and sandbags to contain the spill also caused injury to the

natural resources and services of the site. As a result of this incident, injuries to the site's natural resources and their services were observed and documented. Therefore, the Trustees have jurisdiction to pursue restoration under the OPA.

Determination to Conduct Restoration Planning. The NRDA regulations under OPA, provide that the Trustees are to prepare a Notice if they determine certain conditions have been met, and if they decide to quantify the injuries to natural resources and to develop a restoration plan. Accordingly, the Trustees have determined, pursuant to 15 CFR 990.42(a), that:

1. As stated above, injuries have resulted from the incident on May 18, 2011.

2. Response actions did not address all injuries resulting from the incident to the extent that restoration would not be necessary. Although response actions were initiated soon after the spill, the nature of the incident (fire, oil spill, and physical disturbance) and the sensitivity of the environment precluded the complete prevention of injuries to natural resources. Injured natural resources may return to baseline, but interim losses of services provided by these natural resources have occurred, and will continue until resources return to baseline health/condition.

3. Feasible primary and compensatory restoration actions exist to address injuries and lost human uses resulting from the incident. In preparation for restoration planning, the Trustees have begun to compile a list of restoration projects that could potentially be implemented to compensate for interim losses resulting from the incident. All potential restoration sites would be located within the bounds of NBVC Point Mugu and would involve construction projects to enhance the services of existing wetlands.

The Trustees have the tools and procedures to evaluate the injuries and define the appropriate type and scale of restoration for the injured natural resources. Among the available procedures are computer modeled injury assessments; field and laboratory study of geology and sediment, plants, wildlife, water quality, hydrologic resources; as well as additional literature searches. Appropriate procedures such as these will be used to determine the extent of injury to natural resources and their services, and Habitat Equivalency Analysis will be used to determine the appropriate compensation for those injuries.

During the restoration planning phase, the Trustees will evaluate potential projects, determine the scale of restoration actions needed to make the environment and the public whole, and release a draft Damage Assessment and Restoration Plan for public review and comment.

Administrative Record. The Trustees have opened an Administrative Record (Record) in compliance with 15 CFR 990.45. The Record will include documents considered by the Trustees during the preassessment, assessment, and restoration planning phases of the NRDA performed in connection with the crash. The Record will be augmented with additional information over the course of the NRDA process. The Record is available in accordance with the Freedom of Information Act, by contacting: Navy Region Southwest, Attention: Ms. Deb McKay, Code N40, Pt Mugu Omega Air Tanker Crash Spill, 937 North Harbor Drive, Box 81, San Diego, CA 92132, Phone: 619–532–2284, or *deborah.mckay@navy.mil*.

Dated: July 10, 2015.

N.A. Hagerty-Ford,

Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 2015–17568 Filed 7–16–15; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF EDUCATION

Annual Notice of Interest Rates of Federal Student Loans Made Under the William D. Ford Federal Direct Loan Program on or After July 1, 2013

AGENCY: Federal Student Aid, Department of Education.

ACTION: Notice.

Catalog of Federal Domestic Assistance (CFDA) Number: 84.268.

DATES: This notice is effective July 17, 2015.

SUMMARY: The Chief Operating Officer for Federal Student Aid announces the interest rates for loans made under the William D. Ford Federal Direct Loan (Direct Loan) Program on or after July 1, 2015, but before July 1, 2016.

FOR FURTHER INFORMATION CONTACT: Ian Foss, U.S. Department of Education, 830 First Street NE., Room 114I1, Washington, DC 20202. Telephone: (202) 377–3681 or by email: *ian.foss@ed.gov.*

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

Individuals with disabilities can obtain this document in an accessible format (*e.g.*, braille, large print, audiotape, or compact disc) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT**.

SUPPLEMENTARY INFORMATION: Section 455(b) of the Higher Education Act of 1965, as amended (HEA) (20 U.S.C. 1087e(b)), provides formulas for determining the interest rates charged to borrowers for loans made under the Direct Loan Program including: Federal Direct Subsidized Stafford Loans (Direct Subsidized Loans); Federal Direct Unsubsidized Stafford Loans (Direct Unsubsidized Loans); Federal Direct PLUS Loans (Direct PLUS Loans); and Federal Direct Consolidation Loans (Direct Consolidation Loans).

Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans (collectively, Direct Loans) first disbursed on or after July 1, 2013, have a fixed interest rate that is calculated based on the high yield of the 10-year Treasury notes auctioned at the final auction held before June 1 of each year, plus a statutory add-on percentage (a ''margin''). Therefore, while the interest rate determination for new loans will be different from year to year, each of these loans will have a fixed interest rate for the life of the loan. In each case the calculated rate is capped by a maximum interest rate.

The following chart contains specific information on the calculation of the interest rates for Direct Loans first disbursed on or after July 1, 2015, but before July 1, 2016. We publish a separate notice containing the interest rates for Direct Loans that were made in prior years.

FIXED-RATE DIRECT SUBSIDIZED LOANS, DIRECT UNSUBSIDIZED LOANS, AND DIRECT PLUS LOANS FIRST DISBURSED ON OR AFTER 7/1/2015 BUT BEFORE 7/1/2016

Loan type	Student grade level	Cohort		Index rate	Margin (%)	Fixed rate (%)	Max. rate (%)
		First disbursed on/after	First disbursed before	10-Year Treasury note (%)			
Subsidized	Undergraduates	7/1/2015	7/1/2016	2.237	2.05	4.29	8.25
Unsubsidized	Undergraduates	7/1/2015	7/1/2016	2.237	2.05	4.29	8.25
Unsubsidized	Graduate and Professional Students.	7/1/2015	7/1/2016	2.237	3.60	5.84	9.50
PLUS	Parents of Dependent Undergraduates.	7/1/2015	7/1/2016	2.237	4.60	6.84	10.50
PLUS	Graduate and Professional Students.	7/1/2015	7/1/2016	2.237	4.60	6.84	10.50

If an application for a Direct Consolidation Loan is received by the Department on or after July 1, 2013, the interest rate on that loan is the weighted average of the consolidated loans, rounded up to the nearest higher ⅛ of 1 percent. These Direct Consolidation Loans do not have an interest rate cap.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at *www.gpo.gov/fdsys.* At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Program Authority: 20 U.S.C. 1087, *et seq.*

Dated: July 14, 2015.

James W. Runcie,

Chief Operating Officer, Federal Student Aid.

[FR Doc. 2015–17653 Filed 7–16–15; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

Notice of Intent To Grant an Exclusive License

AGENCY: National Energy Technology Laboratory, Department of Energy.

ACTION: Notice of intent to grant an exclusive license.

SUMMARY: This notice is issued in accordance with 35 U.S.C. 209(c)(1) and 37 CFR 404.7(a)(1)(i). The National Energy Technology Laboratory (NETL) hereby gives notice that the Department of Energy (DOE) intends to grant an exclusive license to practice the inventions described and claimed in U.S. Patent Number 8,470,276, ''Process for CO_2 capture using a regenerable magnesium hydroxide sorbent'' and in U.S. Patent Number 8,617,499, ''Minimization of steam requirements and enhancement of water-gas shift reaction with warm gas temperature CO_2 removal'' to CogniTek Management Systems, Inc., a small business having its principal place of business in Northbrook, Illinois. The patents are owned by the United States of America, as represented by DOE. The prospective exclusive license complies with the requirements of 35 U.S.C. 209 and 37 CFR 404.7.

DATES: Written comments, objections, or nonexclusive license applications must be received at the address listed below no later than August 3, 2015. Objections submitted in response to this notice will not be made available to the public for inspection and, to the extent permitted by law, will not be released under the Freedom of Information Act, 5 U.S.C. 552.

ADDRESSES: Comments, applications for nonexclusive licenses, or objections relating to the prospective exclusive license should be submitted to Jessica Sosenko, Technology Transfer Program Manager, U.S. Department of Energy, National Energy Technology Laboratory, P.O. Box 10940, Pittsburgh, PA 15236–0940 or via facsimile to (412) 386–4183.

FOR FURTHER INFORMATION CONTACT: Jessica Sosenko, Technology Transfer Program Manager, U.S. Department of Energy, National Energy Technology Laboratory, P.O. Box 10940, Pittsburgh, PA 15236; Telephone (412) 386–7417; Email: *jessica.sosenko@netl.doe.gov.*

SUPPLEMENTARY INFORMATION: Section 209(c) of title 35 of the United States Code gives DOE the authority to grant exclusive or partially exclusive licenses in Department-owned inventions where a determination is made, among other things, that the desired practical application of the invention has not been achieved, or is not likely to be achieved expeditiously, under a nonexclusive license. The statute and implementing regulations (37 CFR 404) require that the necessary determinations be made after public notice and opportunity for filing written comments and objections.

CogniTek Management Systems, Inc., a small business, has applied for an exclusive license to practice the inventions and has a plan for commercialization of the inventions. DOE intends to grant the license, upon a final determination in accordance with 35 U.S.C. 209(c), unless within 15 days of publication of this notice, NETL's Technology Transfer Manager (contact information listed above), receives in writing any of the following, together with supporting documents:

(i) A statement from any person setting forth reasons why it would not be in the best interest of the United States to grant the proposed license; or

(ii) An application for a nonexclusive license to the invention, in which applicant states that it already has brought the invention to practical application or is likely to bring the invention to practical application expeditiously.

The proposed license would be exclusive, subject to a license and other rights retained by the United States, and

subject to a negotiated royalty. DOE will review all timely written responses to this notice, and will grant the license if, after expiration of the 15-day notice period, and after consideration of any written responses to this notice, a determination is made in accordance with 35 U.S.C. 209(c) that the license is in the public interest.

Issued: July 6, 2015.

Grace M. Bochenek,

Director, National Energy Technology Laboratory.

[FR Doc. 2015–17654 Filed 7–16–15; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

[OE Docket No. PP–412]

Application for Presidential Permit; ITC Lake Erie Connector Project

AGENCY: Office of Electricity Delivery and Energy Reliability, DOE.

ACTION: Notice of application.

SUMMARY: ITC Lake Erie Connector LLC (ITC Lake Erie) has applied for a Presidential Permit to construct, operate, maintain, and connect an electric transmission line across the United States border with Canada.

DATES: Comments or motions to intervene must be submitted on or before August 17, 2015.

ADDRESSES: Comments or motions to intervene should be addressed as follows: Office of Electricity Delivery and Energy Reliability (OE–20), U.S. Department of Energy, 1000 Independence Avenue SW., Washington, DC 20585.

FOR FURTHER INFORMATION CONTACT: Christopher Lawrence (Program Office) at 202–586–5260 or via electronic mail at *Christopher.Lawrence@hq.doe.gov,* Katherine Konieczny (Program Attorney) at 202–586–0503.

SUPPLEMENTARY INFORMATION: The construction, operation, maintenance, and connection of facilities at the international border of the United States for the transmission of electric energy between the United States and a foreign country is prohibited in the absence of a Presidential Permit issued pursuant to Executive Order (E.O.) 10485, as amended by E.O. 12038.

On May 29, 2015, ITC Lake Erie filed an application with the Office of Electricity Delivery and Energy Reliability of the Department of Energy (DOE) for a Presidential Permit. ITC Lake Erie has it principal place of business in Novi, Michigan. ITC Lake Erie is a wholly-owned subsidiary of ITC Lake Erie Holdings LLC, which is, though another entity, a wholly-owned subsidiary of ITC Holdings Corp.

ITC Lake Erie proposes to construct and operate the ITC Lake Erie Connector Project (the project), a ± 320 kilovolt (kV) high-voltage direct current (HVDC) bi-directional electric transmission line that would originate Haldimand County, Ontario, Canada, and terminate in Erie County, Pennsylvania. The proposed project facilities would be capable of transmitting up to 1000 megawatts (MW) of power.

The U.S. portion of the proposed project would cross the U.S.-Canada border in Lake Erie as a submerged line, buried in the lake bed, and would run approximately 35.4 miles before reaching the shore on private property, west of Erie Bluffs Park. From the shore, the line would be buried underground for approximately 7.1 miles, along mostly roadway rights-of-way and terminate at the proposed Erie Converter Station. From the Erie Converter Station, a 345 kV alternating current (AC) transmission line would run approximately 1,900–3,000 feet (depending on final routing) underground and connect into the U.S. grid at the existing Erie West Substation owned by Penelec. The total length of the Project would be 72.4 miles, with the U.S. portion totaling about 42.5 miles.

The Project would be operated in accordance with the established engineering and technical criteria of the Independent System Operator of Ontario (IESO) and the PJM Interconnection (PJM). In the U.S., the Project would be placed under operational control of PJM.

Since the restructuring of the electric industry began, resulting in the introduction of different types of competitive entities into the marketplace, DOE has consistently expressed its policy that cross-border trade in electric energy should be subject to the same principles of comparable open access and non-discrimination that apply to transmission in interstate commerce. DOE has stated that policy in export authorizations granted to entities requesting authority to export over international transmission facilities. Specifically, DOE expects transmitting utilities owning border facilities to provide access across the border in accordance with the principles of comparable open access and non-discrimination contained in the Federal Power Act and articulated in Federal Energy Regulatory Commission (FERC) Order No. 888 (Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; FERC Stats. & Regs. ¶31,036 (1996)), as amended. In furtherance of this policy, DOE invites comments on whether it would be appropriate to condition any Presidential Permit issued in this proceeding on compliance with these open access principles.

Procedural Matters: Any person may comment on this application by filing such comment at the address provided above. Any person seeking to become a party to this proceeding must file a motion to intervene at the address provided above in accordance with Rule 214 of FERC's Rules of Practice and Procedure (18 CFR 385.214). Two copies of each comment or motion to intervene should be filed with DOE on or before the date listed above.

Additional copies of such motions to intervene also should be filed directly with: Andrew Jamieson, Counsel, ITC Holdings Corp., 27175 Energy Way, Novi, MI 48377, *ajamieson@itctransco.com* AND John R. Staffier, Stunz, Davis & Staffier, P.C., 555 Twelfth Street NW., Suite 360, Washington, DC 20004, *jstaffier@sdatty.com* AND Ellen S. Young, Stunz, Davis & Staffier, P.C., 555 Twelfth Street NW., Suite 360, Washington, DC 20004 *eyoung@sdatty.com.*

Before a Presidential Permit may be issued or amended, DOE must determine that the proposed action is in the public interest. In making that determination, DOE considers the environmental impacts of the proposed project pursuant to the National Environmental Policy Act of 1969, determines the project's impact on electric reliability by ascertaining whether the proposed project would adversely affect the operation of the U.S. electric power supply system under normal and contingency conditions, and any other factors that DOE may also consider relevant to the public interest. Also, DOE must obtain the concurrences of the Secretary of State and the Secretary of Defense before taking final action on a Presidential Permit application.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, or by accessing the program Web site at *http://energy.gov/oe/services/electricity-policy-coordination-and-implementation/international-electricity-regulatio-2.*

Issued in Washington, DC, on July 13, 2015.

Christopher A. Lawrence,

Electricity Policy Analyst, National Electricity Delivery Division, Office of Electricity Delivery and Energy Reliability, U.S. Department of Energy.

[FR Doc. 2015–17655 Filed 7–16–15; 8:45 am]

BILLING CODE 6450–01–P

ENVIRONMENTAL PROTECTION AGENCY

[ER–FRL–9021–9]

Environmental Impact Statements; Notice of Availability

Responsible Agency: Office of Federal Activities, General Information (202) 564–7146 or *http://www2.epa.gov/nepa.*

Weekly receipt of Environmental Impact Statements (EISs)
Filed 07/06/2015 Through 07/10/2015
Pursuant to 40 CFR 1506.9.

Notice

Section 309(a) of the Clean Air Act requires that EPA make public its comments on EISs issued by other Federal agencies. EPA's comment letters on EISs are available at: *https://cdxnodengn.epa.gov/cdx-enepa-public/action/eis/search.*

EIS No. 20150189, Draft, NOAA, MA, Amendment 18 to the Northeast Multispecies Fishery Management Plan, Comment Period Ends: 08/31/2015, Contact: John K. Bullard 978–281–9135.

EIS No. 20150190, Draft, USFS, CA, Trestle Forest Health Project, Comment Period Ends: 08/31/2015, Contact: Jennifer Ebert 530–647–5382.

EIS No. 20150191, Draft, USACE, TX, Surface Coal and Lignite Mining in Texas, Comment Period Ends: 09/08/2015, Contact: Darvin Messer 817–886–1744.

EIS No. 20150192, Final Supplement, USN, GU, Guam and Commonwealth of the Northern Mariana Islands Military Relocation (2012 Roadmap Adjustments), Review Period Ends: 08/17/2015, Contact: Joseph A. Campbell CAPT USN 703–602–3924.

EIS No. 20150193, Draft, BLM, UT, Beaver Dam Wash National Conservation Area Red Cliffs National Conservation Area Draft Amendment to the St. George Field Office Resource Management Plan, Comment Period Ends: 10/15/2015, Contact: Keith Rigtrup 435–865–3063.

EIS No. 20150194, Draft, WAPA, CA, San Luis Transmission Project, Comment Period Ends: 08/31/2015, Contact: Donald Lash 916–353–4048.

EIS No. 20150195, Final Supplement, TVA, TN, Integrated Resource Plan, Review Period Ends: 08/17/2015, Contact: Charles P. Nicholson, 865–632–3582.

EIS No. 20150196, Draft Supplement, BR, CA, Bay Delta Conservation Plan/California Water Fix, Comment Period Ends: 08/31/2015, Contact: Michelle Banonis 916–930–5676.

EIS No. 20150197, Final, USFS, CA, Lake Tahoe Basin Management Unit Land Management Plan, Review Period Ends: 08/17/2015, Contact: Denise Downie 530–543–2683.

Amended Notices

EIS No. 20150180, Final, USFS, AZ, Flagstaff Watershed Protection Project, Review Period Ends: 08/10/2015, Contact: Erin Phelps 928–527–8240 Revision to FR Notice Published 07/02/2015; Correction to Review Period Ends 08/10/2015.

EIS No. 20150182, Final, VA, CA, San Francisco Veterans Affairs Medical Center Long Range Development Plan, Review Period Ends: 08/10/2015, Contact: Robin Flanagan 415–750–2049 Revision to FR Notice Published 07/10/2015; Correction to Review Period Ends: 08/10/2015.

Dated: July 14, 2015.

Dawn Roberts,

Management Analyst, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 2015–17602 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OAR–2015–0341; FRL–9930–83–OAR]

Notice of Availability of the Environmental Protection Agency's Update of Two Chapters in the EPA Air Pollution Control Cost Manual; Extension of Comment Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice; extension of comment period.

SUMMARY: The Environmental Protection Agency (EPA) is announcing that the period for providing public comments on the June 12, 2015, notice of data availability of the ''Environmental Protection Agency's Update of Two Chapters in the EPA Air Pollution Control Cost Manual'' is being extended by 30 days.

DATES: The public comment period for the notice of data availability published June 12, 2015 (80 FR 33515) is being extended by 30 days to September 10, 2015, in order to provide the public additional time to submit comments.

ADDRESSES: Written comments on the notice of data availability may be submitted to the EPA electronically, by mail, by facsimile or through hand delivery/courier. Please refer to the notice of data availability (80 FR 33515) for the addresses and detailed instructions. Publicly available documents relevant to this action are available for public inspection either electronically at *http://www.regulations.gov* or in hard copy at the EPA Docket Center, Room 3334, 1301 Constitution Avenue NW., Washington, DC 20004, Attention Docket ID No. EPA–HQ–OAR–2015–0341. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. A reasonable fee may be charged for copying. The EPA has established the official public docket No. EPA–HQ–OAR–2015–0341.

FOR FURTHER INFORMATION CONTACT: For questions on the EPA Air Pollution Control Cost Manual update and how to submit comments, contact Mr. Larry Sorrels, Health and Environmental Impacts Division, Environmental Protection Agency, C439–02, 109 T.W. Alexander Drive, Research Triangle Park, NC 27709; telephone number: (919) 541–5041; fax number: (919) 541–0839; email address: *sorrels.larry@epa.gov.*

SUPPLEMENTARY INFORMATION: The EPA received two requests to extend the comment period on the June 12, 2015, notice of data availability of the ''Environmental Protection Agency's Update of Two Chapters in the EPA Air Pollution Control Cost Manual.'' Based on the evaluation of those requests and the level of interest in the notice of data availability, the EPA is extending the public comment period for an additional 30 days. The public comment period will end on September 10, 2015, rather than August 11, 2015. This will ensure that the public has sufficient time to review and comment on all of the information available, including the notice of data availability and other materials in the docket.

Dated: July 9, 2015.

Stephen D. Page,

Director, Office of Air Quality Planning and Standards.

[FR Doc. 2015–17656 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–9930–82–OAR]

Request for Nominations for the 2016 Clean Air Excellence Awards Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Request for nominations for Clean Air Excellence Awards.

SUMMARY: This notice announces the competition for the 2016 Clean Air Excellence Awards Program. EPA established the Clean Air Excellence Awards Program in February 2000 to recognize outstanding and innovative efforts that support progress in achieving clean air.

DATES: All submissions of entries for the Clean Air Excellence Awards Program must be postmarked by September 11, 2015.

FOR FURTHER INFORMATION CONTACT: Additional information on this awards program, including the entry form, can be found on EPA's Clean Air Act Advisory Committee (CAAAC) Web site: *http://epa.gov/air/cleanairawards/index.html.* Any member of the public who wants further information may contact Ms. Catrice Jefferson, Office of Air and Radiation, U.S. EPA by telephone at (202) 564–1668 or by email at *jefferson.catrice@epa.gov.*

SUPPLEMENTARY INFORMATION: Awards Program Notice: Pursuant to 42 U.S.C. 7403(a)(1) and (2) and sections 103(a)(1) and (2) of the Clean Air Act (CAA), notice is hereby given that the EPA's Office of Air and Radiation (OAR) announces the opening of competition for the 2016 Clean Air Excellence Awards Program (CAEAP). The intent of the program is to recognize and honor outstanding, innovative efforts that help to make progress in achieving cleaner air. The CAEAP is open to both public and private entities. Entries are limited to efforts related to air quality in the United States. There are five general award categories: (1) Clean Air Technology; (2) Community Action; (3) Education/Outreach; (4) Regulatory/Policy Innovations; and (5) Transportation Efficiency Innovations. There are also two special awards categories: (1) Thomas W. Zosel Outstanding Individual Achievement Award; and (2) Gregg Cooke Visionary Program Award. Awards are given periodically and are for recognition only.

Entry Requirements: All applicants are asked to submit their entry on a CAEAP entry form, contained in the CAEAP Entry Package, which may be obtained from the CAAAC Web site at *http://www.epa.gov/air/cleanairawards/entry.html.* Applicants can also contact Ms. Catrice Jefferson, Office of Air and Radiation, U.S. EPA by telephone at (202) 564–1668 or by email at *jefferson.catrice@epa.gov.* The entry form is a simple, three-part form asking for general information on the applicant; a narrative description of the project; and three (3) independent references for the proposed entry. Applicants should also submit additional supporting documentation as necessary. Specific directions and information on filing an entry form are included in the Entry Package.

Judging and Award Criteria: EPA staff will use a screening process, with input from outside subject experts, as needed. Members of the CAAAC will provide advice to EPA on the entries. The EPA Assistant Administrator for Air and Radiation will make the final award decisions. Entries will be judged using both general criteria and criteria specific to each individual category. These criteria are listed in the 2016 Entry Package.

Dated July 1, 2015.

Catrice Jefferson,

Office of Air and Radiation.

[FR Doc. 2015–17626 Filed 7–16–15; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

[3060–0168]

Information Collection Being Submitted for Review and Approval to the Office of Management and Budget

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees. The FCC may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

DATES: Written comments should be submitted on or before August 17, 2015. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contacts below as soon as possible.

ADDRESSES: Direct all PRA comments to Nicholas A. Fraser, OMB, via email *Nicholas_A._Fraser@omb.eop.gov;* and to Nicole Ongele, FCC, via email *PRA@fcc.gov* and to *Nicole.Ongele@fcc.gov.* Include in the comments the OMB control number as shown in the ''Supplementary Information'' section below.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collection, contact Nicole Ongele at (202) 418–2991. To view a copy of this information collection request (ICR) submitted to OMB: (1) Go to the Web page *http://www.reginfo.gov/public/do/PRAMain*, (2) look for the section of the Web page called ''Currently Under Review,'' (3) click on the downward-pointing arrow in the ''Select Agency'' box below the ''Currently Under Review'' heading, (4) select ''Federal Communications Commission'' from the list of agencies presented in the ''Select Agency'' box, (5) click the ''Submit'' button to the right of the ''Select Agency'' box, (6) when the list of FCC ICRs currently under review appears, look for the OMB control number of this ICR and then click on the ICR Reference Number. A copy of the FCC submission to OMB will be displayed.

SUPPLEMENTARY INFORMATION:

OMB Control Number: 3060–0168.

Title: Section 43.43, Reports of Proposed Changes in Depreciation Rates.

Form Number: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit entities.

Number of Respondents: 24 respondents; 24 responses.

Estimated Time per Response: 250 hours.

Frequency of Response: On occasion reporting requirement and recordkeeping requirement.

Obligation to Respond: Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 151, 152, 154, 161, 201–205 and 218–220 of the Communications Act of 1934, as amended.

Total Annual Burden: 6,000 hours.

Total Annual Cost: $919,560.

Privacy Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: Respondents are not being asked to submit confidential information to the Commission. However, respondents may request materials or information submitted to the Commission be withheld from public inspection under 47 CFR 0.459 of the Commission's rules.

Needs and Uses: Section 43.43 establishes the reporting requirements for depreciation prescription purposes. Communication common carriers with annual operating revenues of $150.2 million or more that the Commission has found to be dominant must file information specified in Section 43.43 before making any change in depreciation rates applicable to their operating plant. Section 220 of the Communications Act of 1934, as amended, also allows the Commission, in its discretion, to prescribe the form of any and all accounts, records, and memoranda to be kept by carriers subject to the Act, including the accounts, records and memoranda of the movement of traffic, as well as receipts and expenditures of moneys. Carriers are required to file four summary exhibits along with the underlying data used to generate them, and must provide the depreciation factors (*i.e.,* life, salvage, curve shape, depreciation reserve) required to verify the calculation of the carrier's depreciation expenses and rates. Mid-sized carriers are no longer required to file theoretical reserve studies. Certain price cap incumbent LECs in certain instances may request a waiver of the depreciation rates.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 2015–17497 Filed 7–16–15; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

Waiver of Sunshine Period Prohibition for Agenda Item on Thursday, July 16, 2015 Open Meeting

July 10, 2015.

The Federal Communications Commission previously announced its intention to hold an Open Meeting on Thursday, July 16, 2015 at 10:30 a.m. With respect *only* to item 1 listed below, the Commission is now waiving the sunshine period prohibition contained in Section 1.1203 of the Commission's rules, 47 CFR 1.1203, until 7:00 p.m. on Wednesday, July 15, 2015. Thus, presentations with respect to item 1 will be permitted until that time.

Item No.	Bureau	Subject
1	WIRELESS TELECOMMUNICATIONS	TITLE: Broadcast Incentive Auction Comment Public Notice Auction 1000, 1001 and 1002; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions; Policies Regarding Mobile Spectrum Holdings (AU Docket No. 14–252) (GN Docket No. 12–268) (WT Docket No. 12–269). SUMMARY: The Commission will take the next step to commencing the incentive auction in the first quarter of 2016 by considering the Procedures Public Notice, which adopts a balanced set of auction procedures that will ensure an effective, efficient, and timely auction. The Public Notice establishes and provides information on final procedures for setting the initial spectrum clearing target, qualifying to bid, and bidding in the reverse and forward auctions.

The meeting site is fully accessible to people using wheelchairs or other mobility aids. Sign language interpreters, open captioning, and assistive listening devices will be provided on site. Other reasonable accommodations for people with disabilities are available upon request. In your request, include a description of the accommodation you will need and a way we can contact you if we need more information. Last minute requests will be accepted, but may be impossible to fill. Send an email to: *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (TTY).

Additional information concerning this meeting may be obtained from Will Wiquist, Office of Media Relations, (202) 418–0500; TTY 1–888–835–5322. Audio/Video coverage of the meeting will be broadcast live with open captioning over the Internet from the FCC Live Web page at *www.fcc.gov/live.*

For a fee this meeting can be viewed live over George Mason University's Capitol Connection. The Capitol Connection also will carry the meeting live via the Internet. To purchase these services, call (703) 993–3100 or go to *www.capitolconnection.gmu.edu.*

Federal Communications Commission.

Gloria J. Miles,

Federal Register Liaison Officer.

[FR Doc. 2015–17579 Filed 7–16–15; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

FCC To Hold Open Commission Meeting Thursday, July 16, 2015

July 9, 2015.

The Federal Communications Commission will hold an Open Meeting on the subjects listed below on Thursday, July 16, 2015, which is scheduled to commence at 10:30 a.m. in Room TW–C305, at 445 12th Street SW., Washington, DC.

Item No.	Bureau	Subject
1	WIRELESS TELECOMMUNICATIONS	TITLE: Broadcast Incentive Auction Comment Public Notice Auction 1000, 1001 and 1002; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions; Policies Regarding Mobile Spectrum Holdings (AU Docket No. 14–252) (GN Docket No. 12–268) (WT Docket No. 12–269). SUMMARY: The Commission will take the next step to commencing the incentive auction in the first quarter of 2016 by considering the Procedures Public Notice, which adopts a balanced set of auction procedures that will ensure an effective, efficient, and timely auction. The Public Notice establishes and provides information on final procedures for setting the initial spectrum clearing target, qualifying to bid, and bidding in the reverse and forward auctions.
2	WIRELESS TELECOMMUNICATIONS	TITLE: Policies Regarding Mobile Spectrum Holdings; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions (WT Docket No. 12–269) (GN Docket No. 12–268). SUMMARY: The Commission will consider an Order on Reconsideration addressing petitions for reconsideration of certain aspects of the Mobile Spectrum Holdings Report and Order.
3	WIRELESS TELECOMMUNICATIONS	TITLE: Updating Part 1 Competitive Bidding Rules; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions; Petition of DIRECTV Group, Inc. and EchoStar LLC for Expedited Rulemaking to Amend Section 1.2105(a)(2)(xi) and 1.2106(a) of the Commission's Rules and/or for Interim Conditional Waiver; Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures (WT Docket No. 14–170) (GN Docket No. 12–268) (RM–11395) (WT Docket No. 05–211). SUMMARY: The Commission will consider a Report and Order, Order on Reconsideration, Third Order on Reconsideration and a Third Report and Order that provides meaningful opportunities for small businesses, rural telephone companies, and businesses owned by members of minority groups and women to participate in the provision of spectrum-based services, and also strengthens the Commission's rules to protect against unjust enrichment to ineligible entities.
4	ENFORCEMENT	TITLE: Enforcement Bureau Item. SUMMARY: The Commission will consider an enforcement item.

* * * * *

Consent Agenda

The Commission will consider the following subjects listed below as a consent agenda and these items will not be presented individually:

Item No.	Bureau	Subject
1	MEDIA	TITLE: KGAN Licensee, LLC, Application for Renewal of License of Station KGAN–TV, Cedar Rapids, Iowa. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by Iowans For Better Local Television seeking review of a Media Bureau Order denying a petition to deny.
2	MEDIA	TITLE: ABC, Inc. and CBS Broadcasting, Inc., Applications for WPVI–TV and KYW–DT, Philadelphia, Pennsylvania. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by Global Radio, LLC seeking review of licenses to cover granted by the Media Bureau.
3	MEDIA	TITLE: Beach TV Properties, Inc., Licensee of Stations KNOV–CD, New Orleans, Louisiana; WCAY–CD, Key West, Florida; WDES–CA Destin, Florida; WPFN–CA Panama City, Florida; WPCT(TV), Panama City, Florida; and WAWD(TV), Fort Walton Beach, Florida; Beach TV of South Carolina, Inc., Licensee of Stations WGSC–CD, Murrells Inlet, South Carolina and WGSI–CD, Murrells Inlet, South Carolina. SUMMARY: The Commission will consider an Order and consent decree concerning the renewal of television stations filed by Beach TV Properties, Inc. and Beach TV of South Carolina, Inc.
4	MEDIA	TITLE: NBC Telemundo License Co., for Renewal of License of Station WTVJ(TV), Miami, Florida and CBS Television Stations, Inc., for Renewal of License of Station WFOR–TV, Miami, Florida. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by the Office of Communication of the United Church of Christ, Inc. seeking review of two renewals granted by the Media Bureau.
5	MEDIA	TITLE: Southwest FM Broadcasting Co., Inc., Application for Construction Permit for Minor Change of Station KAHM(FM), Spring Valley, Arizona. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by Kemp Communications, Inc. seeking review of a minor change application granted by the Media Bureau.

Item No.	Bureau	Subject
6	MEDIA	TITLE: Greene/Sumter Enterprise Community, Application for Construction Permit for A New Noncommercial Educational FM Radio Station, Livingston, Alabama, Cedar Ridge Fellowship of SDA; Application for Construction Permit for A New Noncommercial Educational FM Radio Station, Shoals, Florida; Maranatha Broadcasting Ministry, Inc., Application for Construction Permit for A New Noncommercial Educational FM Radio Station, Hot Springs, Arkansas; San Bernardino Community College District, Application for Construction Permit for A New Noncommercial Educational FM Radio Station, Barstow, California; and, Cross of Our Lord Jesus Christ Ministries, Application for Construction Permit for A New Noncommercial Educational FM Radio Station, White Deer, Texas. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning five Applications for Review filed by Greene/Sumter Enterprise Community, Cedar Ridge Fellowship of Seventh Day Adventists, Maranatha Broadcasting Ministry, Inc., San Bernardino Community College District), and Cross of Our Lord Jesus Christ Ministries seeking review of decisions by the Media Bureau and a waiver request filed by Greene/Sumter Enterprise Community.
7	MEDIA	TITLE: Larlen Communications, Inc., Application for New Noncommercial Educational FM Station, Weare, Michigan. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by Larlen Communications, Inc. seeking review of a decision by the Media Bureau.
8	MEDIA	TITLE: WGBH Educational Foundation, Applications for Renewal of Licenses of WGBH(FM), Boston, Massachusetts, and WCRB–FM, Lowell, Massachusetts. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by the Committee for Community Access seeking review of a renewal granted by the Media Bureau.
9	MEDIA	TITLE: Malibu FM Emergency and Community Broadcasters, Inc., For a New Low Power FM Station at Malibu, California. SUMMARY: The Commission will consider a Memorandum Opinion and Order concerning an Application for Review filed by Malibu FM Emergency and Community Broadcasters, Inc. seeking review of a decision by the Media Bureau.

The meeting site is fully accessible to people using wheelchairs or other mobility aids. Sign language interpreters, open captioning, and assistive listening devices will be provided on site. Other reasonable accommodations for people with disabilities are available upon request. In your request, include a description of the accommodation you will need and a way we can contact you if we need more information. Last minute requests will be accepted, but may be impossible to fill. Send an email to: *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (TTY).

Additional information concerning this meeting may be obtained from Will Wiquist, Office of Media Relations, (202) 418–0500; TTY 1–888–835–5322. Audio/Video coverage of the meeting will be broadcast live with open captioning over the Internet from the FCC Live Web page at *www.fcc.gov/live.*

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Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 2015–17499 Filed 7–16–15; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–1063]

Information Collection Being Reviewed by the Federal Communications Commission Under Delegated Authority

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burden and as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the Federal Communications Commission invites the general public and other Federal agencies to take this opportunity to comment on the following information collection(s). Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission's burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information burden for small business concerns with fewer than 25 employees. The FCC may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reduction Act (PRA) that does not display a valid OMB control number.

DATES: Written PRA comments should be submitted on or before September 15, 2015. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADDRESSES: Direct all PRA comments to Cathy Williams, FCC, via email *PRA@fcc.gov* and to *Cathy.Williams@fcc.gov.*

FOR FURTHER INFORMATION CONTACT: For additional information about the

information collection, contact Cathy Williams at (202) 418–2918.

SUPPLEMENTARY INFORMATION:

OMB Control No.: 3060–1063.

Title: Global Mobile Personal Communications by Satellite (GMPCS) Authorization, Marketing and Importation Rules.

Form No.: Not Applicable.

Type of Review: Extension of a currently approved information collection.

Respondents: Business or other for-profit.

Number of Respondents: 19 respondents; 19 responses.

Estimated Time per Response: 1–24 hours per response.

Frequency of Response: On occasion reporting requirement.

Obligation to Respond: Required to obtain or retain benefits. The Commission has authority for this information collection pursuant to Sections 4(i), 301, 302(a), 303(e), 303(f), 303(g), 303(n) and 303(r) of the Communications Act of 1934, as amended; 47 U.S.C. 4(i), 301, 302(a), 303(e), 303(f), 303(g), 303(n) and 303(r).

Total Annual Burden: 684 hours.

Total Annual Cost Burden: $13,110.

Privacy Act Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: In general, there is no need for confidentiality with this collection of information.

Needs and Uses: This collection will be submitted to the Office of Management and Budget (OMB) as an extension (no change in requirements) after this 60-day comment period has ended in order to obtain the full three year OMB clearance.

The purpose of this information collection is to maintain OMB approval of a certification requirement for portable GMPCS transceivers to prevent interference, reduce radio-frequency (''RF'') radiation exposure risk, and make regulatory treatment of portable GMPCS transceivers consistent with treatment of similar terrestrial wireless devices, such as cellular phones.

The Commission is requiring that applicants obtain authorization for the equipment by submitting an application and exhibits, including test data. If the Commission did not obtain such information, it would not be able to ascertain whether the equipment meets the FCC's technical standards for operation in the United States. Furthermore, the data is required to ensure that the equipment will not cause catastrophic interference to other telecommunications services that may impact the health and safety of American citizens.

Federal Communications Commission.

Marlene H. Dortch,

Secretary, Office of the Secretary.

[FR Doc. 2015–17498 Filed 7–16–15; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL DEPOSIT INSURANCE CORPORATION

Notice to All Interested Parties of the Termination of the Receivership of 10472 Gold Canyon Bank, Gold Canyon, Arizona

Notice is hereby given that the Federal Deposit Insurance Corporation (''FDIC'') as Receiver for Gold Canyon Bank, Gold Canyon, Arizona (''the Receiver'') intends to terminate its receivership for said institution. The FDIC was appointed receiver of Gold Canyon Bank on April 05, 2013. The liquidation of the receivership assets has been completed. To the extent permitted by available funds and in accordance with law, the Receiver will be making a final dividend payment to proven creditors.

Based upon the foregoing, the Receiver has determined that the continued existence of the receivership will serve no useful purpose. Consequently, notice is given that the receivership shall be terminated, to be effective no sooner than thirty days after the date of this Notice. If any person wishes to comment concerning the termination of the receivership, such comment must be made in writing and sent within thirty days of the date of this Notice to: Federal Deposit Insurance Corporation, Division of Resolutions and Receiverships, Attention: Receivership Oversight Department 34.6, 1601 Bryan Street, Dallas, TX 75201.

No comments concerning the termination of this receivership will be considered which are not sent within this time frame.

Dated: July 14, 2015.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

[FR Doc. 2015–17587 Filed 7–16–15; 8:45 am]

BILLING CODE 6714–01–P

FEDERAL MARITIME COMMISSION

Notice of Request for Additional Information

The Commission gives notice that it has formally requested that the parties to the below listed agreement provide additional information pursuant to 46 U.S.C. 40304(d). This action prevents the agreement amendments from becoming effective as originally scheduled. Interested parties may file comments within fifteen (15) days after publication of this notice in the **Federal Register**.

Agreement No.: 201227–002, –003.

Title: Pacific Ports Operational Improvements Agreement (PPOIA).

Parties: Maersk Line A/S; APL Co. Pte Ltd.; American President Lines, Ltd.; CMA CGM S.A. (''CMA CGM''); Cosco Container Lines Company Limited; Evergreen Line Joint Service Agreement; Hamburg-Sudamerikanische; Aliança Navegação E Logística Ltda.; Hanjin Shipping Co., Ltd.; Hapag-Lloyd AG; Hapag-Loyd USA; Companhia Libra De Navegacao; Compania Libra De Navegacion Uruguay S.A.; Mitsui O.S.K. Lines, Ltd.; Nippon Yusen Kaisha Line; Kawasaki Kisen Kaisha, Ltd.; Hyundai Merchant Marine Co., Ltd.; Zim Integrated Shipping Services; China Shipping Container Lines Co., Ltd.; China Shipping Container Lines (Hong Kong) Co., Ltd.; MSC Mediterranean Shipping Company SA; Matson Navigation Company, Inc.

By Order of the Federal Maritime Commission.

Dated: July 13, 2015.

Karen V. Gregory,

Secretary.

[FR Doc. 2015–17521 Filed 7–16–15; 8:45 am]

BILLING CODE 6730–01–P

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 August 3, 2015.

A. Federal Reserve Bank of Minneapolis (Jacquelyn K. Brunmeier, Assistant Vice President) 90 Hennepin Avenue, Minneapolis, Minnesota 55480–0291:

1. *Gregory Fred Bormann,* Mitchell, South Dakota; to acquire voting shares of United Bancorporation, Osseo, Wisconsin, and thereby indirectly acquire voting shares of Farmers State Bank, Stickney, South Dakota; United Bank, Osseo, Wisconsin, Clarke County State Bank, Osceola, Iowa; Bank of Poynette, Poynette, Wisconsin; Cambridge State Bank, Cambridge, Wisconsin; and Lincoln Community Bank, Merrill, Wisconsin.

Board of Governors of the Federal Reserve System, July 14, 2015.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2015–17589 Filed 7–16–15; 8:45 am]

BILLING CODE 6210–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Healthcare Research and Quality

Notice of Meeting

AGENCY: Agency for Healthcare Research and Quality, HHS.

ACTION: Notice.

SUMMARY: In accordance with section 10(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App. 2), announcement is made of an Agency for Healthcare Research and Quality (AHRQ) Special Emphasis Panel (SEP) meeting on *''AHRQ RFA HS15–001 Patient Safety Learning Laboratories: Innovative Design and Development to Improve Healthcare Delivery Systems (P30).''* Each SEP meeting will commence in open session before closing to the public for the duration of the meeting.

DATES: July 21–22, 2015 (*Open on July 21 from 8:00 a.m. to 8:30 a.m. and closed for the remainder of the meeting*).

ADDRESSES: Gaithersburg Marriott Washingtonian Center, 9751 Washingtonian Boulevard, Gaithersburg, Maryland 20878.

FOR FURTHER INFORMATION CONTACT: Anyone wishing to obtain a roster of members, agenda or minutes of the non-confidential portions of this meeting should contact: Mrs. Bonnie Campbell, Committee Management Officer, Office of Extramural Research, Education and Priority Populations, AHRQ, 540 Gaither Road, Room 2038, Rockville, Maryland 20850, Telephone: (301) 427–1554.

Agenda items for this meeting are subject to change as priorities dictate.

SUPPLEMENTARY INFORMATION: A Special Emphasis Panel is a group of experts in fields related to health care research who are invited by the Agency for Healthcare Research and Quality (AHRQ), and agree to be available, to conduct on an as needed basis, scientific reviews of applications for AHRQ support. Individual members of the Panel do not attend regularly scheduled meetings and do not serve for fixed terms or a long period of time. Rather, they are asked to participate in particular review meetings which require their type of expertise.

Each SEP meeting will commence in open session before closing to the public for the duration of the meeting. The SEP meeting referenced above will be closed to the public in accordance with the provisions set forth in 5 U.S.C. App. 2, section 10(d), 5 U.S.C. 552b(c)(4), and 5 U.S.C. 552b(c)(6). Grant applications for the ''AHRQ RFA HS15–001 Patient Safety Learning Laboratories: Innovative Design and Development to Improve Healthcare Delivery Systems (P30).'' are to be reviewed and discussed at this meeting. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Sharon B. Arnold,

AHRQ Director.

[FR Doc. 2015–17633 Filed 7–16–15; 8:45 am]

BILLING CODE 4160–90–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency for Healthcare Research and Quality

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Agency for Healthcare Research and Quality, HHS.

ACTION: Notice.

SUMMARY: This notice announces the intention of the Agency for Healthcare Research and Quality (AHRQ) to request that the Office of Management and Budget (OMB) approve the proposed information collection project: ''*Medical Office Survey on Patient Safety Culture Comparative Database.*'' In accordance with the Paperwork Reduction Act, 44 U.S.C. 3501–3521, AHRQ invites the public to comment on this proposed information collection.

This proposed information collection was previously published in the **Federal Register** on March 23rd, 2014 and allowed 60 days for public comment. No comments were received. The purpose of this notice is to allow an additional 30 days for public comment.

DATES: Comments on this notice must be received by August 17, 2015.

ADDRESSES: Written comments should be submitted to: AHRQ's OMB Desk Officer by fax at (202) 395–6974 (attention: AHRQ's desk officer) or by email at *OIRA_submission@omb.eop.gov* (attention: AHRQ's desk officer).

Copies of the proposed collection plans, data collection instruments, and specific details on the estimated burden can be obtained from the AHRQ Reports Clearance Officer.

FOR FURTHER INFORMATION CONTACT: Doris Lefkowitz, AHRQ Reports Clearance Officer, (301) 427–1477, or by email at *doris.lefkowitz@AHRQ.hhs.gov.*

SUPPLEMENTARY INFORMATION:

Proposed Project

Medical Office Survey on Patient Safety Culture Comparative Database

Background on the Medical Office Survey on Patient Safety Culture (Medical Office SOPS). In 1999, the Institute of Medicine called for health care organizations to develop a ''culture of safety'' such that their workforce and processes focus on improving the reliability and safety of care for patients (IOM, 1999; *To Err is Human: Building a Safer Health System*). To respond to the need for tools to assess patient safety culture in health care, AHRQ developed and pilot tested the Medical Office SOPS with OMB approval (OMB NO.0935–0131; Approved July 5, 2007).

The survey is designed to enable medical offices to assess provider and staff opinions about patient safety issues, medical error, and error reporting. The survey includes 38 items that measure 10 composites of patient safety culture. In addition to the composite items, 14 items measure how often medical offices have problems exchanging information with other settings and other patient safety and quality issues. AHRQ made the survey publicly available along with a Survey User's Guide and other toolkit materials in December 2008 on the AHRQ Web site (located at *http://www.ahrq.gov/professionals/quality-patient-safety/patientsafetyculture/medical-office/index.html*). Since its release, the survey has been voluntarily used by hundreds of medical offices in the U.S.

The Medical Office SOPS Comparative Database consists of data from the AHRQ Medical Office SOPS.

Medical offices in the U.S. are asked to submit data voluntarily from the survey to AHRQ, through its contractor Westat. The Medical Office SOPS Database (OMB NO. 0935–0196, last approved on June 12, 2012) was developed by AHRQ in 2011 in response to requests from medical offices interested in knowing how their patient safety culture survey results compare to those of other medical offices in their efforts to improve patient safety.

Rationale for the information collection. The Medical Office SOPS and the Comparative Database support AHRQ's goals of promoting improvements in the quality and safety of health care in medical office settings. The survey, toolkit materials, and comparative database results are all made publicly available on AHRQ's Web site. Technical assistance is provided by AHRQ through its contractor at no charge to medical offices, to facilitate the use of these materials for medical office patient safety and quality improvement.

The goal of this project is to renew the Medical Office SOPS Comparative Database. This Database will:

(1) Allow medical offices to compare their patient safety culture survey results with those of other medical offices,

(2) Provide data to medical offices to facilitate internal assessment and learning in the patient safety improvement process, and

(3) Provide supplemental information to help medical offices identify their strengths and areas with potential for improvement in patient safety culture.

This study is being conducted by AHRQ through its contractor—Westat, pursuant to AHRQ's statutory authority to conduct and support research on healthcare and on systems for the delivery of such care, including activities with respect to: The quality, effectiveness, efficiency, appropriateness and value of health care services; quality measurement and improvement; and database development. 42 U.S.C. 299a(a)(1), (2), and (8).

Method of Collection

To achieve the goal of this project the following activities and data collections will be implemented:

(1) *Eligibility and Registration Form*—The medical office point-of-contact (POC) completes a number of data submission steps and forms, beginning with the completion of an online eligibility and registration form. The purpose of this form is to determine the eligibility status and initiate the registration process for medical offices seeking to voluntarily submit their Medical Office SOPS data to the Medical Office SOPS Comparative Database.

(2) *Data Use Agreement*—The purpose of the data use agreement, completed by the medical office POC, is to state how data submitted by medical offices will be used and provides confidentiality assurances.

(3) *Medical Office Site Information Form*—The purpose of the site information form is to obtain basic information about the characteristics of the medical offices submitting their Medical Office SOPS data to the Medical Office SOPS Comparative Database (*e.g.*, number of providers and staff, ownership, and type of specialty). The medical office POC completes the form.

(4) *Data Files Submission*—The number of submissions to the database is likely to vary each year because medical offices do not administer the survey and submit data every year. Data submission is typically handled by one POC who is either an office manager, nurse manager, or a survey vendor who contracts with a medical office to collect their data. POCs submit data on behalf of 10 medical offices, on average, because many medical offices are part of a health system that includes many medical office sites, or the POC is a vendor that is submitting data for multiple medical offices. After registering, if registrants are deemed eligible to submit data, an automated email is sent to authenticate the account and update the user password. Next the POC enters medical office information and uploads their survey questionnaire and submits a data use agreement. POCs then upload their data file(s), using the medical office data file specifications, to ensure that users submit standardized and consistent data in the way variables are named, coded, and formatted.

Survey data from the AHRQ Medical Office SOPS are used to produce three types of products: (1) A Medical Office SOPS Comparative Database Report that is produced periodically and made publicly available on the AHRQ Web site (see *http://www.ahrq.gov/professionals/quality-patient-safety/patientsafetyculture/medical-office/2014/index.html*); (2) Individual Medical Office Survey Feedback Reports that are confidential, customized reports produced for each medical office that submits data to the database (the number of reports produced is based on the number of medical offices submitting each year); and (3) Research data sets of individual-level and medical office-level de-identified data to enable researchers to conduct analyses.

Medical offices are asked to voluntarily submit their Medical Office SOPS survey data to the Comparative Database. The data are then cleaned and aggregated and used to produce a Comparative Database Report that displays averages, standard deviations, and percentile scores on the survey's 38 items that measure 10 composites of patient safety culture, and 14 items measuring how often medical offices have problems exchanging information with other settings and other patient safety and quality issues. The report also displays these results by medical office characteristics (size of office, specialty, geographic region, etc.) and respondent characteristics (staff position).

Data submitted by medical offices are used to give each medical office its own customized survey feedback report that presents the medical office's results compared to the latest comparative database results.

Medical offices use the Medical Office SOPS, Comparative Database Reports and Individual Medical Office Survey Feedback Reports for a number of purposes, to

- Raise staff awareness about patient safety.
- Diagnose and assess the current status of patient safety culture in their medical office.
- Identify strengths and areas for improvement in patient safety culture.
- Evaluate the cultural impact of patient safety initiatives and interventions.
- Compare patient safety culture survey results with other medical offices in their efforts to improve patient safety and health care quality.

Estimated Annual Respondent Burden

Exhibit 1 shows the estimated annualized burden hours for the respondents' time to participate in the database. An estimated 150 POCs, each representing an average of 10 individual medical offices each, will complete the database submission steps and forms annually. Completing the registration form will take about 3 minutes. The Medical Office Information Form is completed by all POCs for each of their medical offices ($150 \times 10 = 1{,}500$ forms in total) and is estimated to take 5 minutes to complete. Each POC will complete a data use agreement which takes 3 minutes to complete and submitting the data will take an hour on average. The total burden is estimated to be 291 hours.

Exhibit 2 shows the estimated annualized cost burden based on the respondents' time to submit their data.

The cost burden is estimated to be $13,968 annually.

EXHIBIT 1—ESTIMATED ANNUALIZED BURDEN HOURS

Form name	Number of respondents/ POCs	Number of responses per POC	Hours per response	Total burden hours
Eligibility/Registration Form	150	1	3/60	8
Data Use Agreement	150	1	3/60	8
Medical Office Information Form	150	10	5/60	125
Data Files Submission	150	1	1	150
Total	600	NA	NA	291

EXHIBIT 2—ESTIMATED ANNUALIZED COST BURDEN

Form name	Number of respondents/ POCs	Total burden hours	Average hourly wage rate *	Total cost burden
Registration Form	150	8	$48.00	$384
Data Use Agreement	150	8	48.00	384
Medical Office Information Form	150	125	48.00	6,000
Data Files Submission	150	150	48.00	7,200
Total	600	816	NA	13,968

* Mean hourly wage rate of $48.00 for Medical and Health Services Managers (SOC code 11–9111) was obtained from the May 2013 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 621100—Offices of Physicians located at *http://www.bls.gov/oes/2013/may/naics4_621100.htm.*

Request for Comments

In accordance with the Paperwork Reduction Act, comments on AHRQ's information collection are requested with regard to any of the following: (a) Whether the proposed collection of information is necessary for the proper performance of AHRQ health care research and health care information dissemination functions, including whether the information will have practical utility; (b) the accuracy of AHRQ's estimate of burden (including hours and costs) of the proposed collection(s) of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information upon the respondents, including the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and included in the Agency's subsequent request for OMB approval of the proposed information collection. All comments will become a matter of public record.

Sharon B. Arnold,

Director.

[FR Doc. 2015–17635 Filed 7–16–15; 8:45 am]

BILLING CODE 4160–90–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30Day–15–15BM]

Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) has submitted the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. The notice for the proposed information collection is published to obtain comments from the public and affected agencies.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address any of the following: (a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) Enhance the quality, utility, and clarity of the information to be collected; (d) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses; and (e) Assess information collection costs.

To request additional information on the proposed project or to obtain a copy of the information collection plan and instruments, call (404) 639–7570 or send an email to *omb@cdc.gov.* Direct written comments and/or suggestions regarding the items contained in this notice should be directed to the Attention: CDC Desk Officer, Office of Management and Budget, Washington, DC 20503 or by fax to (202) 395–5806. Written comments should be received within 30 days of this notice.

Proposed Project

Assessing the Impact of Organizational and Personal Antecedents on Proactive Health/Safety Decision Making—New—National Institute for Occupational Safety and Health (NIOSH), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

NIOSH, under Public Law 91–596, Sections 20 and 22 (Section 20–22, Occupational Safety and Health Act of 1977) has the responsibility to conduct research relating to innovative methods,

techniques, and approaches dealing with occupational safety and health problems.

This research relates to the interplay of personal, organizational, and cultural influences on risk-taking and proactive decision-making behaviors among mine workers. The antecedents, or characteristics, that impact these behaviors are not well understood in mining. Understanding the degree to which antecedents influence decisions can inform the focus of future health and safety management interventions.

NIOSH proposes a project that seeks to empirically understand the following: What are the most important organizational antecedent characteristics needed to support worker health and safety (H&S) performance behaviors in the mining industry?

What are the most important personal antecedent characteristics needed to support worker health and safety (H&S) performance behaviors in the mining industry?

To answer the above questions, NIOSH researchers developed a psychometrically supported survey. Researchers identified seven worker perception-based 'organizational values' and four 'personal characteristics' that are presumed to be important in fostering H&S knowledge, motivation, proactive behaviors, and safety outcomes. Because these emergent, worker perception-based constructs have a theoretical and empirical history, psychometrically tested items exist for each of them.

NIOSH researchers will administer this survey at mine sites to as many participating mine workers as possible to answer the research questions. Upon data collection and analysis NIOSH researchers will revalidate each scale to ensure that measurement is valid. A quantitative approach, via a short survey, allows for prioritization, based on statistical significance, of the antecedents that have the most critical influence on proactive behaviors. Data collection will take place with approximately 1,200 mine workers over three years. The respondents targeted for this study include any active mine worker at a mine site, both surface and underground. All participants will be between the ages of 18 and 75, currently employed, and living in the United States. Participation will require no more than 20 minutes of workers' time (5 minutes for consent and 15 minutes for the survey). There is no cost to respondents other than their time.

Upon collection of the data, it will be used to answer what organizational/personal characteristics have the biggest impact on proactive and compliant health and safety behaviors. Dominance and relative weights analysis will be used as the data analysis method to statistically rank order the importance of predictors in numerous regression contexts. Safety proactive and safety compliance will serve as the dependent variables in these regression analyses, with the organizational and personal characteristics as independent variables.

Findings will be used to improve the safety and health organizational values and focus of mine organizations, as executed through their health and safety management system for mitigating health and safety risks at their mine site. Specifically, if organizations are lacking in values that are of high importance among employees, site leadership knows where to focus new, innovative methods, techniques, and approaches to dealing with their occupational safety and health problems. Finally, the data can be directly compared to data from other mine organizations that administered the same standardized methods to provide broader context for areas in which the mining industry can focus more attention if trying to encourage safer work behavior.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)
Safety/health Mine Operator	Mine Recruitment Script	10	1	5/60
Mine Worker	Individual Miner Recruitment Script	400	1	5/60
Mine Worker	Survey	400	1	15/60

Leroy A. Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2015–17553 Filed 7–16–15; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30 Day–15–15VA]

Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) has submitted the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. The notice for the proposed information collection is published to obtain comments from the public and affected agencies.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address any of the following: (a) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) Enhance the quality, utility, and clarity of the information to be collected; (d) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses; and (e) Assess information collection costs.

To request additional information on the proposed project or to obtain a copy of the information collection plan and instruments, call (404) 639–7570 or send an email to *omb@cdc.gov.* Written comments and/or suggestions regarding the items contained in this notice should be directed to the Attention: CDC Desk Officer, Office of Management and Budget, Washington, DC 20503 or by fax to (202) 395–5806. Written

comments should be received within 30 days of this notice.

Proposed Project

National Disease Surveillance Program III—CDC Support for Case Investigation, Contact Tracing, and Case Reports—New—National Center for Emerging and Zoonotic Infectious Diseases (NCEZID), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

The international outbreak of Ebola virus disease (EVD) in West Africa began March 10, 2014. The initial cases were from southern Guinea, near its rural border with Liberia and Sierra Leone. Highly mobile populations contributed to increasing waves of person-to-person transmission of EVD that occurred in multiple countries in West Africa. The CDC activated its Emergency Operations Center on July 9, 2014 to help coordinate technical assistance and control activities with international partners and to deploy teams of public health experts to the affected countries.

The operations turned to the United States (U.S.) when the first imported case of EVD was diagnosed in Texas on September 30, 2014. In response, on October 11, 2014, the CDC Quarantine Stations and the Department of Homeland Security Customs and Border Patrol mobilized to screen, detect, and refer arriving travelers who were potential persons at risk for EVD to appropriate state, territorial, and local (STL) authorities. The CDC also increased its commitment to support STL public health authorities to combat and control the spread of EVD within their jurisdictions.

Thus in 2014, the CDC requested and received an expedited emergency review and approval from OMB of an information collection request to initiate multiple urgently needed information collections in West Africa, at U.S. ports of entry, and within STL jurisdictions. These information collections allowed the agency to accomplish its primary mission on many fronts to quickly prevent public harm, illness, and death from the uncontrolled spread of EVD.

This new collection of information is designed to allow CDC to conduct active disease surveillance in support of and at the request of STL authorities among respondents that may include the general public, workers, and STL authorities. This should cut down on the need for multiple steps in emergency requests that were experienced in the first year of the 2014 Ebola virus response.

There are no costs to the respondents other than their time. The total annualized burden requested is 14,702 hours.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondents	Form name	Number of respondents	Number of responses per respondent	Avg. burden per response (in hrs.)
General Public—Case	Ebola Virus Disease Case Investigation Form—United States.	15	1	30/60
General Public—Case	Symptom Monitoring Form	15	42	5/60
General Public—Person Under Investigation (PUI).	Ebola Virus Disease Person Under Investigation (PUI) Form.	300	1	10/60
General Public—Person Under Investigation (PUI).	Symptom Monitoring Form	300	42	5/60
General Public—Contact	Ebola Virus Disease Contact Tracing Form—United States.	105	1	10/60
General Public—Contact	Symptom Monitoring Form	105	42	5/60
Healthcare Workers	Ebola Virus Disease Tracking Form for Healthcare Workers with Direct Patient Contact.	600	15	10/60
Healthcare Workers	Symptom Monitoring Form	600	57	5/60
Laboratory Personnel	Ebola Tracking Form for Laboratory Personnel.	600	15	10/60
Laboratory Personnel	Symptom Monitoring Form	600	57	5/60
Environmental Services Personnel	Ebola Tracking Form for Environmental Services Personnel.	600	15	10/60
Environmental Services Personnel	Symptom Monitoring Form	600	57	5/60
State, Territorial, and Local Public Health Authorities and Their Delegates.	White House Evening Report	15	42	10/60
Total				

Leroy A. Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2015–17554 Filed 7–16–15; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2015–D–2306]

Testicular Toxicity: Evaluation During Drug Development; Draft Guidance for Industry; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the availability of a draft guidance for industry entitled ''Testicular Toxicity: Evaluation During Drug Development.'' The draft guidance addresses nonclinical findings that may raise concerns of a drug-related adverse effect on the testes, clinical monitoring of adverse testicular effects early in clinical development, and the design and conduct of a safety clinical trial assessing drug-related testicular toxicity. The draft guidance is intended

to assist sponsors developing drugs to identify nonclinical signals of testicular toxicity and to evaluate the potential for such toxicity in humans.

DATES: Although you can comment on any guidance at any time (see 21 CFR 10.115(g)(5)), to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance, submit either electronic or written comments on the draft guidance by October 15, 2015.

ADDRESSES: Submit written requests for single copies of the draft guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10001 New Hampshire Ave., Hillandale Building, 4th Floor, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. See the **SUPPLEMENTARY INFORMATION** section for electronic access to the draft guidance document.

Submit electronic comments on the draft guidance to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Eufrecina Deguia, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 5348, Silver Spring, MD 20993–0002, 301–796–0881.

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance for industry entitled ''Testicular Toxicity: Evaluation During Drug Development.'' This draft guidance is intended to help sponsors identify nonclinical signals that raise concern regarding the potential for human testicular toxicity and to evaluate those signals appropriately in human studies.

The draft guidance describes the standard battery of nonclinical studies that are used to assess the effects of pharmaceuticals on the male reproductive system. The draft guidance discusses findings in nonclinical studies that may increase the level of concern for drug-related testicular toxicity. Examples of nonclinical studies that could be used to further evaluate initial signals of testicular toxicity are also described. The draft guidance then provides a general approach on how to weigh the relevance of nonclinical findings, taking into account factors that can confound the interpretation of these findings.

If a concerning nonclinical signal is identified, the draft guidance presents suggestions for clinical monitoring when the drug is initially administered to humans. These suggestions aim to minimize the hazards to men while making possible the collection of data that will assist in evaluating the potential toxicity of the drug in the target population. These early studies, however, are not intended to be a definitive evaluation of the potential for testicular toxicity of the drug. Rather, they can provide clinical information that, together with the nonclinical information, will support a judgment as to whether the testicular toxicity signal warrants indepth evaluation in a dedicated safety study.

If a reasonable basis for concern of human testicular toxicity exists, a dedicated clinical safety trial with a primary objective of evaluating drug-related testicular toxicity may be warranted. The draft guidance provides recommendations for the design of such a trial, including conduct, endpoints, and presentation of results. These are general recommendations for the purpose of defining the role of drugs in testicular injury; however, the specific details of an individual trial may vary depending on the context of use of the drug product.

This draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent the current thinking of FDA on the evaluation of testicular toxicity during drug development. It does not establish rights for any person and is not binding on FDA or the public. You can use an alternative approach if it satisfies the requirements of the applicable statutes and regulations.

II. The Paperwork Reduction Act of 1995

This draft guidance refers to previously approved collections of information found in FDA regulations. These collections of information are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The collections of information in 21 CFR part 312 have been approved under OMB control number 0910–0014.

III. Comments

Interested persons may submit either electronic comments regarding this document to *http://www.regulations.gov* or written comments to the Division of Dockets Management (see **ADDRESSES**). It is only necessary to send one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov.*

IV. Electronic Access

Persons with access to the Internet may obtain the document at either *http://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm* or *http://www.regulations.gov.*

Dated: July 13, 2015.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2015–17557 Filed 7–16–15; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2007–D–0429 (formerly Docket No. 2007D–0496)]

Agency Information Collection Activities; Proposed Collection; Comment Request; Guidance for Industry on Questions and Answers Regarding the Labeling of Nonprescription Human Drug Products Marketed Without an Approved Application as Required by the Dietary Supplement and Nonprescription Drug Consumer Protection Act

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing an opportunity for public comment on the proposed collection of certain information by the Agency. Under the Paperwork Reduction Act of 1995 (the PRA), Federal Agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, and to allow 60 days for public comment in response to the notice. This notice solicits comments on certain labeling statements for nonprescription human drug products marketed without an approved application.

DATES: Submit either electronic or written comments on the collection of information by September 15, 2015.

ADDRESSES: Submit electronic comments on the collection of

information via the internet at *http://www.regulations.gov.* Submit written comments on the collection of information to the Dockets Management Branch (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852. All comments should be identified with the docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: FDA PRA Staff, Office of Operations, Food and Drug Administration, 8455 Colesville Rd., COLE–14526, Silver Spring, MD 20993–0002, *PRAStaff@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION: Under the PRA (44 U.S.C. 3501–3520), Federal Agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. ''Collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes Agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires Federal Agencies to provide a 60-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, FDA is publishing notice of the proposed collection of information set forth in this document.

With respect to the following collection of information, FDA invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of FDA's functions, including whether the information will have practical utility; (2) the accuracy of FDA's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques, when appropriate, and other forms of information technology.

Guidance for Industry on Questions and Answers Regarding the Labeling of Nonprescription Human Drug Products Marketed Without an Approved Application as Required by the Dietary Supplement and Nonprescription Drug Consumer Protection Act

OMB Control Number 0910–0641—Extension

Section 502(x) of the FD&C Act (21 U.S.C. 352(x)), which was added by the Dietary Supplement and Nonprescription Drug Consumer Protection Act (Pub. L. 109–462), requires the label of a nonprescription drug product marketed without an approved application in the United States to include a domestic address or domestic telephone number through which a manufacturer, packer, and distributor may receive a report of a serious adverse event associated with the product. The guidance document contains questions and answers relating to this labeling requirement and provides guidance to industry on the following topics: (1) The meaning of ''domestic address'' for purposes of the labeling requirements of section 502(x) of the FD&C Act; (2) FDA's recommendation for the use of an introductory statement before the domestic address or phone number that is required to appear on the product label under section 502(x) of the FD&C Act; and (3) FDA's intent regarding enforcing the labeling requirements of section 502(x) of the FD&C Act.

Description of Respondents: Respondents to this collection of information are manufacturers, packers, and distributors whose name (pursuant to section 502(b)(1) of the FD&C Act) appears on the label of a nonprescription drug product marketed in the United States without an approved application.

FDA estimates the burden of this collection of information as follows:

TABLE 1—ESTIMATED ANNUAL THIRD-PARTY DISCLOSURE BURDEN [1]

Activity	Number of respondents	Number of disclosures per respondent	Total annual disclosures	Average burden per disclosure	Total hours
Including a domestic address or phone number and a statement of its purpose on OTC drug labeling (21 U.S.C. 502(x))	300	3	900	4	3,600

[1] There are no capital costs or operating and maintenance costs associated with this collection of information.

Dated: July 10, 2015.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2015–17558 Filed 7–16–15; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2012–N–0967]

Public Meeting on Patient-Focused Drug Development for Huntington's and Parkinson's Diseases

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of public meeting; request for comments.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing a public meeting and an opportunity for public comment on Patient-Focused Drug Development for Huntington's disease and Parkinson's disease. Patient-Focused Drug Development is part of FDA's performance commitments made as part of the fifth authorization of the Prescription Drug User Fee Act (PDUFA V). The public meeting is intended to allow FDA to obtain patient perspectives on the impact of Huntington's disease and Parkinson's disease on daily life and patient views on treatment approaches. Although these are both neurological diseases, since they are quite distinct, FDA will structure this public meeting into two distinct sessions. The morning session, scheduled from 9 a.m. to 1 p.m., will be

devoted to hearing patient perspectives on the impact of Huntington's disease on daily life and their views on currently available treatment approaches. The afternoon session, scheduled from 1 p.m. to 5 p.m., will be devoted to obtaining patient perspectives on the impact of Parkinson's disease on daily life and patient views on currently available treatment approaches.

DATES: The public meeting will be held on September 22, 2015, from 9 a.m. to 5 p.m. Registration to attend the meeting must be received by September 14, 2015 (see **SUPPLEMENTARY INFORMATION** for instructions). Register here to attend the meeting: *https://pfddhuntingtonparkinson.eventbrite.com.* Submit electronic or written comments to the public docket by November 23, 2015.

ADDRESSES: The meeting will be held at the FDA White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, the Great Room (Rm. 1503), Silver Spring, MD 20993–0002. Participants must enter through Building 1 and undergo security screening. For more information on parking and security procedures, please refer to *http://www.fda.gov/AboutFDA/WorkingatFDA/BuildingsandFacilities/WhiteOakCampusInformation/ucm241740.htm.*

Submit electronic comments to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852. All comments should be identified with the docket number found in brackets in the heading of this document.

FDA will post the agenda approximately 5 days before the meeting at: *http://www.fda.gov/Drugs/NewsEvents/ucm451807.htm.*

FOR FURTHER INFORMATION CONTACT: Graham Thompson, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 1146, Silver Spring, MD 20993, 301–796–5003, FAX: 301–847–8443, *graham.thompson@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background on Patient-Focused Drug Development

FDA has selected Huntington's disease (HD) and Parkinson's disease (PD) as the focus of a public meeting under Patient-Focused Drug Development, an initiative that involves obtaining a better understanding of patient perspectives on the severity of a disease and the available therapies for these conditions. Patient-Focused Drug Development is being conducted to fulfill FDA performance commitments that are part of the reauthorization of PDUFA under Title I of the Food and Drug Safety and Innovation Act (Pub. L. 112–144). The full set of performance commitments is available at *http://www.fda.gov/downloads/forindustry/userfees/prescriptiondruguserfee/ucm270412.pdf.*

FDA committed to obtain the patient perspective on 20 disease areas during the course of PDUFA V. For each disease area, the Agency will conduct a public meeting to discuss the disease and its impact on patients' daily lives, the types of treatment benefit that matter most to patients, and patients' perspectives on the adequacy of the available therapies. These meetings will include participation of FDA review divisions, the relevant patient communities, and other interested stakeholders.

On April 11, 2013, FDA published a notice (78 FR 21613) in the **Federal Register** announcing the disease areas for meetings in fiscal years (FY) 2013 to 2015, the first 3 years of the 5-year PDUFA V time frame. The Agency used several criteria outlined in that notice to develop the list of disease areas. FDA obtained public comment on the Agency's proposed criteria and potential disease areas through a public docket and a public meeting that was convened on October 25, 2012. In selecting the set of disease areas, FDA carefully considered the public comments received and the perspectives of review divisions at FDA. By the end of FY 2015, FDA will initiate a second public process for determining the disease areas for FYs 2016 to 2017. More information, including the list of disease areas and a general schedule of meetings, is posted at *http://www.fda.gov/ForIndustry/UserFees/PrescriptionDrugUserFee/ucm326192.htm.*

II. Public Meeting Information

A. Purpose and Scope of the Meeting

The purpose of this Patient-Focused Drug Development meeting is to obtain input on the symptoms and other impacts of HD and PD that matter most to patients, as well as perspectives on current approaches to treating these conditions. HD is a fatal genetic disorder that causes the progressive degeneration of nerve cells in the brain, resulting in uncontrolled movements, loss of intellectual faculties, and emotional disturbance. Each child of an HD parent has a 50–50 chance of inheriting the HD gene, and a person who inherits the HD gene will eventually develop the disease. Physicians may prescribe a number of medications to help control emotional and movement problems associated with HD. While medicines may help keep these clinical symptoms under control, there is no current treatment to stop or reverse the course of the disease.

PD belongs to a group of conditions called motor system disorders, which are the result of the loss of dopamine-producing brain cells. As nerve cells become impaired or die, individuals begin to experience tremor, muscle rigidity or stiffness, slowing of movement, and impaired balance and coordination. The cause of PD is unknown, but factors such as genetics and environmental triggers may play a role. Although there is no cure for PD, medications can help manage the levels of dopamine and other neurotransmitters in the brain to improve symptoms. Deep brain stimulation is a surgery that may also be used to manage symptoms if medications are not effective.

The questions that will be asked of patients and patient stakeholders at the meeting are listed in this section, organized by topic. For each topic, a brief initial patient panel discussion will begin the dialogue. This will be followed by a facilitated discussion inviting comments from other patient and patient stakeholder participants. In addition to input generated through this public meeting, FDA is interested in receiving patient input addressing these questions through written comments, which can be submitted to the public docket (see **ADDRESSES**).

B. Huntington's Disease Discussion Questions

Topic 1: Disease Symptoms and Daily Impacts That Matter Most to Patients

1. Of all the symptoms that you experience because of your condition, which one to three symptoms have the most significant impact on your life? (Examples may include: ability to control movements, balance/coordination, difficulty concentrating, sleeping, mood/behavior, etc.)

2. Are there specific activities that are important to you but that you cannot do at all or as fully as you would like because of your condition? (Examples of activities may include sleeping through the night, daily bathing/showering, cooking, eating, dressing, shopping, etc.)

- How do your symptoms affect your daily life on the best days? On the worst days?

3. How has your condition and its symptoms changed over time?

• Do your symptoms come and go? If so, do you know of anything that makes your symptoms better? Worse?

4. How has your condition affected your social interactions, including relationships with family and friends?

5. How has your condition affected your mood (for example: depression, apathy, patience/tolerance for frustration)?

Topic 2: Patients' Perspectives on Current Approaches To Treating HD

1. What are you currently doing to help treat your condition or its symptoms? (Examples may include prescription medicines, over-the-counter products, and other therapies including non-drug therapies such as diet modification and exercise.)

(a) What specific symptoms do your treatments address?

(b) How has your treatment regimen changed over time, and why?

2. How well does your current treatment regimen treat the most significant symptoms of your disease?

(a) How well do these treatments improve your ability to do specific activities that are important to you in your daily life?

(b) How well have these treatments worked for you as your condition has changed over time?

3. What are the most significant downsides to your current treatments, and how do they affect your daily life? (Examples of downsides may include bothersome side effects, interacts with other medications, need to visit your doctor more frequently, etc.)

4. Assuming there is no complete cure for your condition, what would you look for in an ideal treatment for your condition or a specific aspect of your condition?

C. Parkinson's Disease Discussion Questions

Topic 1: Disease Symptoms and Daily Impacts That Matter Most to Patients

1. Of all the symptoms that you experience because of your condition, which one to three symptoms have the most significant impact on your life? (Examples may include difficulty moving, pain, constipation, difficulty concentrating or remembering, daytime sleepiness, etc.)

2. Are there specific activities that are important to you but that you cannot do at all or as fully as you would like because of your condition? (Examples of activities may include daily hygiene, feeding, dressing, etc.)

• How do your symptoms affect your daily life on the best days? On the worst days?

3. How has your ability to cope with symptoms changed over time?

• Do your symptoms come and go? If so, do you know of anything that makes your symptoms better? Worse?

4. What worries you most about your condition?

5. How has your condition affected your social interactions, including relationships with family and friends?

Topic 2: Patients' Perspectives on Current Approaches To Treating PD

1. What are you currently doing to help treat your condition or its symptoms? (Examples may include prescription medicines, over-the-counter products, and other therapies including non-drug therapies such as diet modification and exercise.)

• What specific symptoms do your treatments address (for example: depression, constipation, memory difficulty, sleepiness, ability to move)?

2. How well does your current treatment regimen treat the most significant symptoms of your disease?

• How well do these treatments improve your ability to do specific activities that are important to you in your daily life?

3. What are the most significant downsides to your current treatments, and how do they affect your daily life? (Examples of downsides may include bothersome side effects, need to visit your doctor or take medications frequently, cause sleepiness, etc.)

4. Assuming there is no complete cure for your condition, what would you look for in an ideal treatment for your condition or a specific aspect of your condition?

III. Meeting Attendance and Participation

If you wish to attend this meeting, visit *https://pfddhuntingtonparkinson.eventbrite.com.* Please register by September 14, 2015. If you are unable to attend the meeting in person, you can register to view a live webcast of the meeting. When you register, you can indicate whether you plan to attend the morning session on HD, the afternoon session on PD, or both. You will also be asked to indicate in your registration if you plan to attend in person or via the webcast. Seating will be limited, so early registration is recommended. Registration is free and will be on a first-come, first-served basis. However, FDA may limit the number of participants from each organization based on space limitations. Registrants will receive confirmation once they have been accepted. Onsite registration on the day of the meeting will be based on space availability. If you need special accommodations because of a disability, please contact Graham Thompson (see **FOR FURTHER INFORMATION CONTACT**) at least 7 days before the meeting.

Patients who are interested in presenting comments as part of the initial panel discussions will be asked to indicate in their registration which topic(s) they wish to address. These patients also must send to *PatientFocused@fda.hhs.gov* a brief summary of responses to the topic questions by September 8, 2015. Panelists will be notified of their selection approximately 7 days before the public meeting. We will try to accommodate all patients and patient stakeholders who wish to speak, either through the panel discussion or audience participation; however, the duration of comments may be limited by time constraints.

IV. Comments

Regardless if you attend the public meeting, you can submit electronic or written responses to the questions pertaining to HD Topics 1 and 2 and PD Topics 1 and 2 to the public docket (see **ADDRESSES**) by November 23, 2015. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov.*

V. Transcripts

As soon as a transcript is available, FDA will post it at *http://www.fda.gov/Drugs/NewsEvents/ucm451807.htm.*

Dated: July 13, 2015.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2015–17556 Filed 7–16–15; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2015–N–0001]

Vaccines and Related Biological Products Advisory Committee; Notice of Meeting

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

This notice announces a forthcoming meeting of a public advisory committee of the Food and Drug Administration (FDA). The meeting will be open to the public.

Name of Committee: Vaccines and Related Biological Products Advisory Committee.

General Function of the Committee: To provide advice and recommendations to the Agency on FDA's regulatory issues.

Date and Time: The meeting will be held on September 15, 2015, from 8:30 a.m. to 2:30 p.m.

Location: FDA White Oak Campus, 10903 New Hampshire Ave., Building 31 Conference Center, the Great Room (Rm. 1503), Silver Spring, MD 20993. Answers to commonly asked questions including information regarding special accommodations due to a disability, visitor parking, and transportation may be accessed at: *http://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm408555.htm.*

For those unable to attend in person, the meeting will also be webcast and will be available at the following link *https://collaboration.fda.gov/cbervrbpac0915/.*

Contact Person: Sujata Vijh or Denise Royster, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 6128, Silver Spring, MD 20993–0002, 240–402–7107 or 240–402–8158, or FDA Advisory Committee Information Line, 1–800–741–8138 (301–443–0572 in the Washington, DC area). A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice. Therefore, you should always check the Agency's Web site at *http://www.fda.gov/AdvisoryCommittees/default.htm* and scroll down to the appropriate advisory committee meeting link, or call the advisory committee information line to learn about possible modifications before coming to the meeting.

Agenda: On September 15, 2015, from 8:30 a.m. to 2:30 p.m., the committee will meet in open session to discuss and make recommendations on the safety and immunogenicity of Seasonal Trivalent Influenza Vaccine, Surface Antigen, Inactivated, Adjuvanted with MF59 (FLUAD) manufactured by Novartis.

FDA intends to make background material available to the public no later than 2 business days before the meeting. If FDA is unable to post the background material on its Web site prior to the meeting, the background material will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on FDA's Web site after the meeting. Background material is available at *http://www.fda.gov/AdvisoryCommittees/Calendar/default.htm.* Scroll down to the appropriate advisory committee meeting link.

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the committee. Written submissions may be made to the contact person on or before September 8, 2015. Oral presentations from the public will be scheduled between approximately 12:15 p.m. to 1:15 p.m. on September 15, 2015. Those individuals interested in making formal oral presentations should notify the contact person and submit a brief statement of the general nature of the evidence or arguments they wish to present, the names and addresses of proposed participants, and an indication of the approximate time requested to make their presentation on or before August 31, 2015. Time allotted for each presentation may be limited. If the number of registrants requesting to speak is greater than can be reasonably accommodated during the scheduled open public hearing session, FDA may conduct a lottery to determine the speakers for the scheduled open public hearing session. The contact person will notify interested persons regarding their request to speak by September 1, 2015.

Persons attending FDA's advisory committee meetings are advised that the Agency is not responsible for providing access to electrical outlets.

FDA welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Sujata Vijh at least 7 days in advance of the meeting.

FDA is committed to the orderly conduct of its advisory committee meetings. Please visit our Web site at *http://www.fda.gov/AdvisoryCommittees/AboutAdvisoryCommittees/ucm111462.htm* for procedures on public conduct during advisory committee meetings.

Notice of this meeting is given under the Federal Advisory Committee Act (5 U.S.C. app. 2).

Dated: July 10, 2015.

Leslie Kux,

Associate Commissioner for Policy.

[FR Doc. 2015–17559 Filed 7–16–15; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Proposed Collection: Public Comment Request

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Notice.

SUMMARY: In compliance with the requirement for opportunity for public comment on proposed data collection projects (Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995), the Health Resources and Services Administration (HRSA) announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). Prior to submitting the ICR to OMB, HRSA seeks comments from the public regarding the burden estimate, below, or any other aspect of the ICR.

DATES: Comments on this Information Collection Request must be received no later than September 15, 2015.

ADDRESSES: Submit your comments to *paperwork@hrsa.gov* or mail the HRSA Information Collection Clearance Officer, Room 10C–03, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans and draft instruments, email *paperwork@hrsa.gov* or call the HRSA Information Collection Clearance Officer at (301) 443–1984.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the information request collection title for reference.

Information Collection Request Title: Bureau of Health Workforce (BHW) Uniform Data System (UDS).

OMB No. 0915–XXXX—NEW.

Abstract: The UDS is the Bureau of Primary Health Care's (BPHC's) annual reporting system for HRSA-supported health centers. The UDS is a program performance reporting system that tracks a variety of information, including patient demographics, services provided, staffing, clinical indicators, utilization rates, costs, and revenues. BHW proposes that HRSA Nurse Managed Health Clinic (NMHC) grantees and Interprofessional Collaborative Practice (IPCP) program cooperative agreement awardees also submit data into the UDS.

This request is to expand the UDS data reporting resource to the BHW NMHC grantees and IPCP program cooperative agreement awardees. Calendar year data would be submitted annually to enable BHW to track clinical practice and patient outcome data. The data collection is limited to NMHC and IPCP grantees and cooperative agreement awardees because of the similarities these care models share with health centers; therefore, the use of the pre-existing infrastructure will enable HRSA to populate the data set with additional sources, making the resource more robust.

Need and Proposed Use of the Information: HRSA collects UDS data which are used to ensure compliance with legislative and regulatory requirements, improve grantee and cooperative agreement awardee performance and operations, and report overall program accomplishments. BHW proposes to collect core data elements that include patient demographics, healthcare services, clinical indicators and outcomes, provider utilization, and costs. BHW will use the patient and provider-level data to determine the impact of healthcare services on patient outcomes. The data will also enable BHW to establish or expand targeted programs and identify effective services and interventions to improve the health of underserved communities and vulnerable populations. In addition, the UDS data are useful to BHW grantees and cooperative agreement awardees for performance and operations improvement, patient forecasts, identification of trends/patterns, implication of access barriers, and cost analysis to support long-term sustainability.

Likely Respondents: The respondents will be HRSA BHW Nurse Managed Health Clinic (NMHC) grantees and Interprofessional Collaborative Practice (IPCP) program cooperative agreement awardees.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this Information Collection Request are summarized in the table below.

Total estimated annualized hours: Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Universal Report	81	1	81	170	13,770
Grant Report	81	1	81	22	1,782
Total	162				15,552

HRSA specifically requests comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions, (2) the accuracy of the estimated burden, (3) ways to enhance the quality, utility, and clarity of the information to be collected, and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Jackie Painter,

Director, Division of the Executive Secretariat.

[FR Doc. 2015–17552 Filed 7–16–15; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Submission to OMB for Review and Approval; Public Comment Request

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Notice.

SUMMARY: In compliance with Section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the Health Resources and Services Administration (HRSA) has submitted an Information Collection Request (ICR) to the Office of Management and Budget (OMB) for review and approval. Comments submitted during the first public review of this ICR will be provided to OMB. OMB will accept further comments from the public during the review and approval period.

DATES: Comments on this ICR should be received no later than August 17, 2015.

ADDRESSES: Submit your comments, including the Information Collection Request Title, to the desk officer for HRSA, either by email to *OIRA_submission@omb.eop.gov* or by fax to 202–395–5806.

FOR FURTHER INFORMATION CONTACT: To request a copy of the clearance requests submitted to OMB for review, email the HRSA Information Collection Clearance Officer at *paperwork@hrsa.gov* or call (301) 443–1984.

SUPPLEMENTARY INFORMATION:

Information Collection Request Title: Rural Access to Emergency Devices Grant Program OMB No. 0915–xxxx—NEW.

Abstract: This program is authorized by the Public Health Improvement Act Title IV—Cardiac Arrest Survival Act of 2000, Subtitle B—Rural Access to Emergency Devices, Section 413, (42 U.S.C. 254c (Note) and the Consolidated and Further Continuing Appropriations Act (Pub. L. 113–235). The purpose of this grant program is to: (1) Purchase automated external defibrillators (AEDs) that have been approved, or cleared for marketing, by the Food and Drug Administration; (2) provide defibrillator and basic life support training in AED usage through the American Heart Association, the American Red Cross, or other nationally recognized training courses; and (3) place the AEDs in rural communities with local organizations.

Need and Proposed Use of the Information: For this program, performance measures were drafted to provide data useful to the program and to enable HRSA to provide aggregate program data required by Congress under the Government Performance and Results Act (GPRA) of 1993 (Pub. L. 103–62). These measures cover the principal topic areas of interest to the Federal Office of Rural Health Policy, including: (a) The number of counties served by the program; (b) the number of AEDs purchased and placed and the

locations of the placements; (c) the number of training sessions and the number of individuals trained; (d) the number of times an AED is used and the outcome; and (e) the number of lay persons and first responders who administer CPR or use an AED on an individual. These measures will speak to the Federal Office of Rural Health Policy's progress toward meeting the set goals.

A 60-day **Federal Register** notice was published February 20, 2015 (80 FR 9270–9271). There were no comments.

Likely Respondents: Rural Access to Emergency Devices Grant Program award recipients.

Burden Statement: Burden in this context means the time expended by persons to generate, maintain, retain, disclose or provide the information requested. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information; to search data sources; to complete and review the collection of information; and to transmit or otherwise disclose the information. The total annual burden hours estimated for this ICR are summarized in the table below.

TOTAL ESTIMATED ANNUALIZED BURDEN—HOURS

Form name	Number of respondents	Number of responses per respondent	Total responses	Average burden per response (in hours)	Total burden hours
Rural Access to Emergency Devices Grant Program	12	1	12	5.5	66
Total	12				66

Jackie Painter,

Director, Division of the Executive Secretariat.

[FR Doc. 2015–17550 Filed 7–16–15; 8:45 am]

BILLING CODE 4165–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Allergy and Infectious Diseases; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Allergy and Infectious Diseases Special Emphasis Panel; NIAID SBIR Phase II Clinical Trial Implementation Cooperative Agreement and Clinical Trial Planning Grants.

Date: August 27, 2015.

Time: 12:00 p.m. to 3:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 5601 Fisher Lane, Rockville, MD 20892, (Telephone Conference Call).

Contact Person: Paul A. Amstad, Ph.D., Scientific Review Officer, Scientific Review Program, Division of Extramural Activities, Room 3G41, NIAID/NIH/DHHS, 5601 Fishers Lane, Bethesda, MD 20892–7616, 240–669–5067, *pamstad@niaid.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.855, Allergy, Immunology, and Transplantation Research; 93.856, Microbiology and Infectious Diseases Research, National Institutes of Health, HHS)

Dated: July 14, 2015.

David Clary,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2015–17595 Filed 7–16–15; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Diabetes and Digestive and Kidney Diseases Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel; Ancillary Studies on IBD.

Date: August 10, 2015.

Time: 4:30 p.m. to 6:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Two Democracy Plaza, 6707 Democracy Boulevard, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Maria E. Davila-Bloom, Ph.D., Scientific Review Officer, Review Branch, DEA, NIDDK, National Institutes of Health, Room 758, 6707 Democracy Boulevard, Bethesda, MD 20892–5452, (301) 594–7637, *davila-bloomm@extra.niddk.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.847, Diabetes, Endocrinology and Metabolic Research; 93.848, Digestive Diseases and Nutrition Research; 93.849, Kidney Diseases, Urology and Hematology Research, National Institutes of Health, HHS)

Dated: July 14, 2015.

David Clary,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2015–17594 Filed 7–16–15; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Synaptic Function.

Date: July 27, 2015.

Time: 1:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Carole L. Jelsema, Ph.D., Chief and Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4176, MSC 7850, Bethesda, MD 20892, (301) 435–1248, *jelsemac@csr.nih.gov*.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: July 13, 2015.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2015–17504 Filed 7–16–15; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Neurobiology of Mental Disorders and Addictions.

Date: July 28, 2015.

Time: 12:00 p.m. to 3:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Samuel C. Edwards, Ph.D., IRG CHIEF, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5210, MSC 7846, Bethesda, MD 20892, (301) 435–1246, *edwardss@csr.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: July 14, 2015.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2015–17647 Filed 7–16–15; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[USCG–2015–0378; OMB Control Number 1625–0010]

Information Collection Request to Office of Management and Budget

AGENCY: Coast Guard, DHS.

ACTION: Sixty-day notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the U.S. Coast Guard intends to submit an Information Collection Request (ICR) to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting approval of an extension of a currently approved collection: 1625–0010, Defect/Noncompliance Report and Campaign Update Report. Our ICR describes the information we seek to collect from the public. Before submitting this ICR to OIRA, the Coast Guard is inviting comments as described below.

DATES: Comments must reach the Coast Guard on or before September 15, 2015.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2015–0378] to the Docket Management Facility (DMF) at the U.S. Department of Transportation (DOT). To avoid duplicate submissions, please use only one of the following means:

(1) *Online: http://www.regulations.gov.*

(2) *Mail:* DMF (M–30), DOT, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001.

(3) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202–366–9329.

(4) *Fax:* 202–493–2251. To ensure your comments are received in a timely manner, mark the fax, to attention Desk Officer for the Coast Guard.

The DMF maintains the public docket for this Notice. Comments and material received from the public, as well as documents mentioned in this Notice as being available in the docket, will become part of the docket and will be available for inspection or copying at room W12–140 on the West Building Ground Floor, 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find the docket on the Internet at *http://www.regulations.gov.*

Copies of the ICR(s) are available through the docket on the Internet at *http://www.regulations.gov.* Additionally, copies are available from: COMMANDANT (CG–612), ATTN PAPERWORK REDUCTION ACT MANAGER, US COAST GUARD, 2703 MARTIN LUTHER KING JR AVE. SE., STOP 7710, WASHINGTON, DC 20593–7710.

FOR FURTHER INFORMATION CONTACT: Contact Mr. Anthony Smith, Office of Information Management, telephone 202–475–3532, or fax 202–372–8405, for questions on these documents. Contact Ms. Cheryl Collins, Program Manager, Docket Operations, 202–366–9826, for questions on the docket.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

This Notice relies on the authority of the Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended. An ICR is an application to OIRA seeking the approval, extension, or renewal of a Coast Guard collection of information (Collection). The ICR contains information describing the Collection's purpose, the Collection's likely burden on the affected public, an explanation of the necessity of the Collection, and

other important information describing the Collection. There is one ICR for each Collection.

The Coast Guard invites comments on whether these ICRs should be granted based on the Collection being necessary for the proper performance of Departmental functions. In particular, the Coast Guard would appreciate comments addressing: (1) The practical utility of the Collection; (2) the accuracy of the estimated burden of the Collection; (3) ways to enhance the quality, utility, and clarity of information subject to the Collection; and (4) ways to minimize the burden of the Collection on respondents, including the use of automated collection techniques or other forms of information technology. In response to your comments, we may revise these ICRs or decide not to seek approval of revisions of the Collection. We will consider all comments and material received during the comment period.

We encourage you to respond to this request by submitting comments and related materials. Comments must contain the OMB Control Number of the ICR and the docket number of this request, [USCG–2015–0378], and must be received by September 15, 2015. We will post all comments received, without change, to *http://www.regulations.gov.* They will include any personal information you provide. We have an agreement with DOT to use their DMF. Please see the ''Privacy Act'' paragraph below.

Submitting Comments

If you submit a comment, please include the docket number [USCG–2015–0378], indicate the specific section of the document to which each comment applies, providing a reason for each comment. You may submit your comments and material online (via *http://www.regulations.gov*), by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online via *www.regulations.gov*, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the DMF. We recommend you include your name, mailing address, an email address, or other contact information in the body of your document so that we can contact you if we have questions regarding your submission.

You may submit your comments and material by electronic means, mail, fax, or delivery to the DMF at the address under **ADDRESSES**; but please submit them by only one means. To submit your comment online, go to *http://www.regulations.gov*, and type ''USCG–2015–0378'' in the ''Search'' box. If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and will address them accordingly.

Viewing comments and documents: To view comments, as well as documents mentioned in this Notice as being available in the docket, go to *http://www.regulations.gov*, click on the ''read comments'' box, which will then become highlighted in blue. In the ''Search'' box insert ''USCG–2015–0378'' and click ''Search.'' Click the ''Open Docket Folder'' in the ''Actions'' column. You may also visit the DMF in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy Act

Anyone can search the electronic form of comments received in dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act statement regarding Coast Guard public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

Information Collection Request

1. *Title:* Defect/Noncompliance Report and Campaign Update Report.

OMB Control Number: 1625–0010.

Summary: Manufacturers whose products contain defects that create a substantial risk of personal injury to the public or fail to comply with an applicable Coast Guard safety standard are required to conduct defect notification and recall campaigns in accordance with 46 U.S.C. 4310. Regulations in 33 CFR 179 require manufacturers to submit certain reports to the Coast Guard concerning progress made in notifying owners and making repairs.

Need: Under 46 U.S.C. 4310(d) and (e); 33 CFR 179.13 and 179.15, the manufacturer shall provide the Commandant of the Coast Guard with an initial report consisting of certain information about the defect notification and recall campaign being conducted and follow up reports describing progress. Upon receipt of information from a manufacturer indicating the initiation of a recall, the Recreational Boating Product Assurance Branch assigns a recall campaign number, and sends the manufacturer CG forms CG–4917 and CG–4918 for supplying the information.

Forms: CG–4917; Defect/Noncompliance Report and CG–4918; Campaign Update Report.

Respondents: Manufacturers of boats and certain items of ''designated'' associated equipment (inboard engines, outboard motors, sterndrive engines or an inflatable personal flotation device approved under 46 CFR 160.076.

Frequency: Quarterly.

Burden Estimate: The estimated burden has decreased from 252 to 207 hours annually. The number of campaigns has decreased due to the pro-active nature of the Coast Guard factory inspectors who detect and correct recreational boat deficiencies before a watercraft is placed in the market for sale.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: July 8, 2015.

Sincerely,

Thomas P. Michelli,

U. S. Coast Guard, Deputy Chief Information Officer.

[FR Doc. 2015–17619 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[USCG–2015–0468; OMB Control Number 1625–0004]

Information Collection Request to Office of Management and Budget

AGENCY: Coast Guard, DHS.

ACTION: Sixty-day notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the U.S. Coast Guard intends to submit an Information Collection Request (ICRs) to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting approval of a revision of a currently approved collection: 1625–0004, United States Coast Guard Academy Application and Supplemental Forms. Our ICR describes the information we seek to collect from the public. Before submitting this ICR to OIRA, the Coast

Guard is inviting comments as described below.

DATES: Comments must reach the Coast Guard on or before September 15, 2015.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2015–0468] to the Docket Management Facility (DMF) at the U.S. Department of Transportation (DOT). To avoid duplicate submissions, please use only one of the following means:

(1) *Online: http://www.regulations.gov.*

(2) *Mail:* DMF (M–30), DOT, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001.

(3) *Hand delivery:* Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202–366–9329.

(4) *Fax:* 202–493–2251. To ensure your comments are received in a timely manner, mark the fax, to attention Desk Officer for the Coast Guard.

The DMF maintains the public docket for this Notice. Comments and material received from the public, as well as documents mentioned in this Notice as being available in the docket, will become part of the docket and will be available for inspection or copying at room W12–140 on the West Building Ground Floor, 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find the docket on the Internet at *http://www.regulations.gov.*

Copies of the ICR(s) are available through the docket on the Internet at *http://www.regulations.gov.* Additionally, copies are available from: COMMANDANT (CG–612), ATTN PAPERWORK REDUCTION ACT MANAGER, US COAST GUARD, 2703 MARTIN LUTHER KING JR AVE., SE., STOP 7710, WASHINGTON, DC 20593–7710.

FOR FURTHER INFORMATION CONTACT: Contact Mr. Anthony Smith, Office of Information Management, telephone 202–475–3532, or fax 202–372–8405, for questions on these documents. Contact Ms. Cheryl Collins, Program Manager, Docket Operations, 202–366–9826, for questions on the docket.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

This Notice relies on the authority of the Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended. An ICR is an application to OIRA seeking the approval, extension, or renewal of a Coast Guard collection of information (Collection). The ICR contains information describing the Collection's purpose, the Collection's likely burden on the affected public, an explanation of the necessity of the Collection, and other important information describing the Collection. There is one ICR for each Collection.

The Coast Guard invites comments on whether these ICRs should be granted based on the Collections being necessary for the proper performance of Departmental functions. In particular, the Coast Guard would appreciate comments addressing: (1) The practical utility of the Collection; (2) the accuracy of the estimated burden of the Collection; (3) ways to enhance the quality, utility, and clarity of information subject to the Collection; and (4) ways to minimize the burden of the Collection on respondents, including the use of automated collection techniques or other forms of information technology. In response to your comments, we may revise these ICRs or decide not to seek approval of revisions of the Collection. We will consider all comments and material received during the comment period.

We encourage you to respond to this request by submitting comments and related materials. Comments must contain the OMB Control Number of the ICR and the docket number of this request, [USCG–2015–0468], and must be received by September 15, 2015. We will post all comments received, without change, to *http://www.regulations.gov.* They will include any personal information you provide. We have an agreement with DOT to use their DMF. Please see the ''Privacy Act'' paragraph below.

Submitting Comments

If you submit a comment, please include the docket number [USCG–2015–0468], indicate the specific section of the document to which each comment applies, providing a reason for each comment. You may submit your comments and material online (via *http://www.regulations.gov*), by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online via *www.regulations.gov*, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the DMF. We recommend you include your name, mailing address, an email address, or other contact information in the body of your document so that we can contact you if we have questions regarding your submission.

You may submit your comments and material by electronic means, mail, fax, or delivery to the DMF at the address under **ADDRESSES**; but please submit them by only one means. To submit your comment online, go to *http://www.regulations.gov*, and type ''USCG–2015–0468'' in the ''Search'' box. If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and will address them accordingly.

Viewing comments and documents: To view comments, as well as documents mentioned in this Notice as being available in the docket, go to *http://www.regulations.gov*, click on the ''read comments'' box, which will then become highlighted in blue. In the ''Search'' box insert ''USCG–2015–0468'' and click ''Search.'' Click the ''Open Docket Folder'' in the ''Actions'' column. You may also visit the DMF in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy Act

Anyone can search the electronic form of comments received in dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act statement regarding Coast Guard public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

Information Collection Request

1. TITLE: United States Coast Guard Academy Application and Supplemental Forms.

OMB CONTROL NUMBER: 1625–0004.

SUMMARY: This collection contains the application and all supplemental forms required to be considered as an applicant to the U.S. Coast Guard Academy.

NEED: The information is needed to select applicants for appointment as Cadet, U.S. Coast Guard to attend the U.S. Coast Guard Academy.

FORMS: CGA–14, CGA–14A, CGA–14B, CGA–14D.

RESPONDENTS: Approximately 2,500 applicants apply annually to the U.S. Coast Guard Academy.

FREQUENCY: Applicants must apply only once per year.

BURDEN ESTIMATE: The estimated burden has decreased from 24,250 hours to 21,750 hours a year due to a decrease in the estimated number of annual respondents.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: July 7, 2015.

Thomas P. Michelli,

U. S. Coast Guard, Deputy Chief Information Officer.

[FR Doc. 2015–17616 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0001]

Changes in Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final notice.

SUMMARY: New or modified Base (1-percent annual chance) Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, and/or regulatory floodways (hereinafter referred to as flood hazard determinations) as shown on the indicated Letter of Map Revision (LOMR) for each of the communities listed in the table below are finalized. Each LOMR revises the Flood Insurance Rate Maps (FIRMs), and in some cases the Flood Insurance Study (FIS) reports, currently in effect for the listed communities. The flood hazard determinations modified by each LOMR will be used to calculate flood insurance premium rates for new buildings and their contents.

DATES: The effective date for each LOMR is indicated in the table below.

ADDRESSES: Each LOMR is available for inspection at both the respective Community Map Repository address listed in the table below and online through the FEMA Map Service Center at *www.msc.fema.gov.*

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov;* or visit the FEMA Map Information eXchange (FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency (FEMA) makes the final flood hazard determinations as shown in the LOMRs for each community listed in the table below. Notice of these modified flood hazard determinations has been published in newspapers of local circulation and 90 days have elapsed since that publication. The Deputy Associate Administrator for Mitigation has resolved any appeals resulting from this notification.

The modified flood hazard determinations are made pursuant to section 206 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4105, and are in accordance with the National Flood Insurance Act of 1968, 42 U.S.C. 4001 *et seq.,* and with 44 CFR part 65.

For rating purposes, the currently effective community number is shown and must be used for all new policies and renewals.

The new or modified flood hazard information is the basis for the floodplain management measures that the community is required either to adopt or to show evidence of being already in effect in order to remain qualified for participation in the National Flood Insurance Program (NFIP).

This new or modified flood hazard information, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities.

This new or modified flood hazard determinations are used to meet the floodplain management requirements of the NFIP and also are used to calculate the appropriate flood insurance premium rates for new buildings, and for the contents in those buildings. The changes in flood hazard determinations are in accordance with 44 CFR 65.4.

Interested lessees and owners of real property are encouraged to review the final flood hazard information available at the address cited below for each community or online through the FEMA Map Service Center at *www.msc.fema.gov.*

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: June 16, 2015.

Roy E. Wright,

Deputy Associate Administrator for Insurance and Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

State and county	Location and case No.	Chief executive officer of community	Community map repository	Effective date of modification	Community No.
Arkansas:					
Johnson (FEMA Docket No.: B–1472).	City of Clarksville (14–06–3379P).	The Honorable Billy Helms, Mayor, City of Clarksville, 205 Walnut Street, Clarksville, AR 72830.	205 Walnut Street, Clarksville, AR 72830.	April 30, 2015	050112
Johnson (FEMA Docket No.: B–1472).	Unincorporated areas of Johnson County (14–06–3379P).	The Honorable Herman H. Houston, Johnson County Judge, 215 West Main Street, Clarksville, AR 72830.	Johnson County, 215 West Main Street, Clarksville, AR 72830.	April 30, 2015	050441
Delaware:					
New Castle (FEMA Docket No.: B–1476).	Unincorporated areas of New Castle County (14–03–0976P).	The Honorable Thomas P. Gordon, New Castle County Executive, 87 Reads Way, New Castle, DE 19720.	New Castle County Government Center, 87 Reads Way, New Castle, DE 19720.	January 30, 2015	105085
Louisiana:					
Ouachita (FEMA Docket No.: B–1472).	Unincorporated areas of Ouachita Parish (13–06–0061P).	The Honorable Shane Smiley, Ouachita Parish Police Jury President, 301 South Grand Street, Suite 201, Monroe, LA 71201.	Ouachita Parish, Floodplain Manager's Office, 1650 DeSiard Street, Suite 202, Monroe, LA 71201.	March 27, 2015	220135
Maryland:					

State and county	Location and case No.	Chief executive officer of community	Community map repository	Effective date of modification	Community No.
Worcester (FEMA Docket No.: B–1472).	Town of Ocean City (14–03–1788P).	The Honorable Richard W. Meehan, Mayor, Town of Ocean City, P.O. Box 158, Ocean City, MD 21843.	Planning and Zoning Division, 301 North Baltimore Avenue, Ocean City, MD 21842.	April 17, 2015	245207
Worcester (FEMA Docket No.: B–1472).	Town of Ocean City (14–03–1789P).	The Honorable Richard W. Meehan, Mayor, Town of Ocean City, P.O. Box 158, Ocean City, MD 21843.	Planning and Zoning Division, 301 North Baltimore Avenue, Ocean City, MD 21842.	April 17, 2015	245207
Mississippi:					
Harrison (FEMA Docket No.: B–1467).	City of Gulfport (14–04–8258P).	Mr. Marshall Pemberton, Mississippi State Floodplain Administrator, P.O. Box 267, Jackson, MS 39205.	Department of Urban Development, Building Code Services, 2200 15th Street, Trailer B5, Gulfport, MS 39501.	March 30, 2015	285253
Harrison (FEMA Docket No.: B–1467).	Unincorporated areas of Harrison County (14–04–8258P).	Mr. Marshall Pemberton, Mississippi State Floodplain Administrator, P.O. Box 267, Jackson, MS 39205.	Harrison County Code Office, 15309 Community Road, Gulfport, MS 39503.	March 30, 2015	285255
New Mexico: Taos (FEMA Docket No.: B–1472).	Unincorporated areas of Taos County (14–06–2951P).	The Honorable Tom Blankenhorn, Chairman, Taos County Commission, 105 Albright Street, Suite A, Taos, NM 87571.	Taos County Administrative Complex, 105 Albright Street, Suite H, Taos, NM 87571.	April 3, 2015	350078
Oklahoma:					
Cleveland (FEMA Docket No.: B–1467).	City of Moore (14–06–2112P).	Mr. Stephen O. Eddy, Manager, City of Moore, 301 North Broadway Street, Moore, OK 73160.	City Hall, 301 North Broadway Street, Moore, OK 73160.	April 2, 2015	400044
Garfield (FEMA Docket No.: B–1472).	City of Enid (14–06–2061P).	Mr. Jerald Gilbert, Manager, City of Enid, 401 West Owen K. Garriott Road, Enid, OK 73701.	City Hall, 401 West Owen K. Garriott Road, Enid, OK 73701.	April 16, 2015	400062
Pennsylvania:					
Allegheny (FEMA Docket No.: B–1476).	City of Pittsburgh (14–03–1501P).	The Honorable William Peduto, Mayor, City of Pittsburgh, 512 City County Building, 414 Grant Street, Pittsburgh, PA 15219.	Department of City Planning, 200 Ross Street, 4th Floor, Pittsburgh, PA 15219.	January 29, 2015	420063
Bucks (FEMA Docket No.: B–1476).	Borough of New Hope (14–03–1346P).	Mr. John Burke, Manager, Borough of New Hope, 123 New Street, New Hope, PA 18938.	Borough Hall, 123 New Street, New Hope, PA 18938.	March 17, 2015	420195
Montgomery (FEMA Docket No.: B–1467).	Borough of Ambler (14–03–0829P).	The Honorable Jeanne Sorg, Mayor, Borough of Ambler, 122 East Butler Avenue, Ambler, PA 19002.	Borough Hall, 122 East Butler Avenue, Ambler, PA 19002.	April 3, 2015	420947
Texas:					
Bexar (FEMA Docket No.: B–1472).	City of San Antonio (14–06–3279P).	The Honorable Ivy R. Taylor, Mayor, City of San Antonio, P.O. Box 839966, San Antonio, TX 78283.	Department of Public Works, Storm Water Engineering, 1901 South Alamo Street, 2nd Floor, San Antonio, TX 78204.	April 22, 2015	480045
Bexar (FEMA Docket No.: B–1476).	City of San Antonio (14–06–3621P).	The Honorable Ivy R. Taylor, Mayor, City of San Antonio, P.O. Box 839966, San Antonio, TX 78283.	Transportation and Capital Improvements Department, Storm Water Division, 1901 South Alamo Street, 2nd Floor, San Antonio, TX 78204.	February 12, 2015	480045
Bexar (FEMA Docket No.: B–1472).	Unincorporated areas of Bexar County (14–06–3279P).	The Honorable Nelson W. Wolff, Bexar County Judge, Paul Elizondo Tower, 101 West Nueva Street, 10th Floor, San Antonio, TX 78205.	Bexar County Public Works Department, 233 North Pecos-La Trinidad Street, Suite 420, San Antonio, TX 78207.	April 22, 2015	480035
Bexar (FEMA Docket No.: B–1476).	Unincorporated areas of Bexar County (14–06–3621P).	The Honorable Nelson W. Wolff, Bexar County Judge, Paul Elizondo Tower, 101 West Nueva Street, 10th Floor, San Antonio, TX 78205.	Bexar County Public Works Department, 233 North Pecos-La Trinidad Street, Suite 420, San Antonio, TX 78207.	February 12, 2015	480035
Burnet (FEMA Docket No.: B–1444).	Unincorporated areas of Burnet County (14–06–1364P).	The Honorable James Oakley, Burnet County Judge, 220 South Pierce Street, Burnet, TX 78611.	Burnet County Courthouse, 220 South Pierce Street, Burnet, TX 78611.	December 8, 2014	481209
Collin (FEMA Docket No.: B–1472).	City of Murphy (14–06–1945P).	The Honorable Eric Barna, Mayor, City of Murphy, 206 North Murphy Road, Murphy, TX 75094.	City Hall, 206 North Murphy Road, Murphy, TX 75094.	April 10, 2015	480137
Collin (FEMA Docket No.: B–1472).	City of Sachse (14–06–1945P).	The Honorable Mike Felix, Mayor, City of Sachse, 3815 Sachse Road, Building B, Sachse, TX 75048.	City Hall, 3815 Sachse Road, Building B, Sachse, TX 75048.	April 10, 2015	480186
Dallas (FEMA Docket No.: B–1476).	City of Farmers Branch (14–06–2597P).	The Honorable Bob Phelps, Mayor, City of Farmers Branch, 13000 William Dodson Parkway, Farmers Branch, TX 75234.	City Hall, 13000 William Dodson Parkway, Farmers Branch, TX 75234.	February 2, 2015	480174
Dallas (FEMA Docket No.: B–1476).	Town of Highland Park (14–06–0617P).	The Honorable Joel T. Williams, III, Mayor, Town of Highland Park, 4700 Drexel Drive, Highland Park, Texas 75205.	Public Works Department, 4700 Drexel Drive, Highland Park, Texas 75205.	February 13, 2015	480178
Denton (FEMA Docket No.: B–1467).	Town of Northlake (14–06–3449P).	The Honorable Peter Dewing, Mayor, Town of Northlake, 1400 FM 407, Northlake, TX 76247.	Town Hall, 1400 FM 407, Northlake, TX 76247.	April 8, 2015	480782
Denton (FEMA Docket No.: B–1472).	Town of Trophy Club (14–06–1550P).	The Honorable Nick Sanders, Mayor, Town of Trophy Club, 100 Municipal Drive, Trophy Club, TX 76262.	Town Hall, 100 Municipal Drive, Trophy Club, TX 76262.	April 7, 2015	481606

State and county	Location and case No.	Chief executive officer of community	Community map repository	Effective date of modification	Community No.
Denton (FEMA Docket No.: B–1467).	Unincorporated areas of Denton County (14–06–2427P).	The Honorable Mary Horn, Denton County Judge, 110 West Hickory Street, 2nd Floor, Denton, TX 76201.	Denton County Government Center, 1505 East McKinney Street, Suite 175, Denton, TX 76209.	April 9, 2015	480774
Denton (FEMA Docket No.: B–1467).	Unincorporated areas of Denton County (14–06–3449P).	The Honorable Mary Horn, Denton County Judge, 110 West Hickory Street, 2nd Floor, Denton, TX 76201.	Denton County Government Center, 1505 East McKinney Street, Suite 175, Denton, TX 76209.	April 8, 2015	480774
Ector (FEMA Docket No.: B–1476).	City of Odessa (14–06–2873P).	The Honorable David Turner, Mayor, City of Odessa, P.O. Box 4398, Odessa, TX 79760.	City Hall, 411 West 8th Street, 4th Floor, Odessa, TX 79761.	February 10, 2015	480206
El Paso (FEMA Docket No.: B–1472).	City of El Paso (14–06–3838P).	The Honorable Oscar Leeser, Mayor, City of El Paso, 300 North Campbell Street, El Paso, TX 79901.	Land Development, 801 Texas Avenue, El Paso, TX 79901.	April 24, 2015	480214
Ellis (FEMA Docket No.: B–1475).	City of Grand Prairie (14–06–4417P).	The Honorable Ron Jensen, Mayor, City of Grand Prairie, P.O. Box 534045, Grand Prairie, TX 75053.	Engineering Department, 206 West Church Street, Grand Prairie, TX 75050.	April 16, 2015	485472
Ellis (FEMA Docket No.: B–1475).	City of Midlothian (14–06–2291P).	The Honorable Bill Houston, Mayor, City of Midlothian, 104 West Avenue E, Midlothian, TX 76065.	City Hall, 104 West Avenue E, Midlothian, TX 76065.	April 16, 2015	480801
Ellis (FEMA Docket No.: B–1475).	City of Midlothian (14–06–4417P).	The Honorable Bill Houston, Mayor, City of Midlothian, 104 West Avenue E, Midlothian, TX 76065.	City Hall, 104 West Avenue E, Midlothian, TX 76065.	April 16, 2015	480801
Ellis (FEMA Docket No.: B–1475).	Unincorporated areas of Ellis County (14–06–4417P).	The Honorable Carol Bush, Ellis County Judge, 101 West Main Street, Waxahachie, TX 75165.	Ellis County Courthouse, 101 West Main Street, Waxahachie, TX 75165.	April 16, 2015	480798
Ellis (FEMA Docket No.: B–1476).	City of Waxahachie (13–06–4294P).	The Honorable Kevin Strength, Mayor, City of Waxahachie, 401 South Rogers Street, Waxahachie, TX 75165.	401 South Rogers Street, Waxahachie, TX 75165.	January 29, 2015	480211
Fort Bend (FEMA Docket No.: B–1472).	Unincorporated areas of Fort Bend County (14–06–3369P).	The Honorable Robert Hebert, Fort Bend County Judge, 401 Jackson Street, Richmond, TX 77469.	Fort Bend County Engineering Department, 1124 Blume Road, Rosenberg, TX 77471.	April 23, 2015	480228
Grayson (FEMA Docket No.: B–1476).	Town of Gunter (14–06–0033P).	The Honorable Charles Skeen, Mayor Pro Tem and Councilman, Town of Gunter, P.O. Box 349, Gunter, TX 75058.	Town Hall, 418 West Main Street, Gunter, TX 75058.	February 3, 2015	480832
Grayson (FEMA Docket No.: B–1476).	Unincorporated areas of Grayson County (14–06–0033P).	The Honorable Bill Magers, Grayson County Judge, 100 West Houston Street, Sherman, TX 75090.	Grayson County Courthouse, 100 West Houston Street, Sherman, TX 75090.	February 3, 2015	480829
Harris (FEMA Docket No.: B–1472).	City of Houston (13–06–4126P).	The Honorable Annise D. Parker, Mayor, City of Houston, P.O. Box 1562, Houston, TX 77251.	Floodplain Management Office, 1002 Washington Avenue, 3rd Floor, Houston, TX 77002.	April 9, 2015	480296
Harris (FEMA Docket No.: B–1472).	Unincorporated areas of Harris County (13–06–4126P).	The Honorable Edward M. Emmett, Harris County Judge, 1001 Preston Street, Suite 911, Houston, TX 77002.	Harris County Permit Office, 10555 Northwest Freeway, Suite 120, Houston, TX 77092.	April 9, 2015	480287
Harris (FEMA Docket No.: B–1472).	Unincorporated areas of Harris County (14–06–1809P).	The Honorable Edward M. Emmett, Harris County Judge, 1001 Preston Street, Suite 911, Houston, TX 77002.	Harris County Permit Office, 10555 Northwest Freeway, Suite 120, Houston, TX 77092.	April 8, 2015	480287
Harris (FEMA Docket No.: B–1472).	Unincorporated areas of Harris County (14–06–3886P).	The Honorable Edward M. Emmett, Harris County Judge, 1001 Preston Street, Suite 911, Houston, TX 77002.	Harris County Permit Office, 10555 Northwest Freeway, Suite 120, Houston, TX 77092.	April 8, 2015	480287
Hays (FEMA Docket No.: B–1467).	Unincorporated areas of Hays County (14–06–2877P).	The Honorable Bert Cobb, MD, Hays County Judge, 111 East San Antonio Street, Suite 300, San Marcos, TX 78666.	Hays County Development Services Department, 2171 Yarrington Road, San Marcos, TX 78667.	March 30, 2015	480321
Lampasas (FEMA Docket No.: B–1476).	Unincorporated areas of Lampasas County (14–06–1364P).	The Honorable Wayne L. Boultinghouse, Lampasas County Judge, P.O. Box 231, Lampasas, TX 76550.	Lampasas County Courthouse, County Judge's Office, 501 East 4th Street, Lampasas, TX 76550.	December 8, 2014	480899
Midland (FEMA Docket No.: B–1472).	City of Odessa (14–06–2140P).	The Honorable David Turner, Mayor, City of Odessa, P.O. Box 4398, Odessa, TX 79760.	City Hall, 411 West 8th Street, 4th Floor, Odessa, TX 79761.	April 14, 2015	480206
Midland (FEMA Docket No.: B–1472).	Unincorporated areas of Midland County (14–06–2140P).	The Honorable Michael R. Bradford, Midland County Judge, 500 North Loraine Street, Suite 1100, Midland, TX 79701.	Midland County, City of Midland Engineering Services, 300 North Loraine Street, Suite 510, Midland, TX 79701.	April 14, 2015	481239
Tarrant (FEMA Docket No.: B–1476).	City of Grand Prairie (14–06–1709P).	The Honorable Ron Jensen, Mayor, City of Grand Prairie, P.O. Box 534045, Grand Prairie, TX 75053.	Engineering Department, 206 West Church Street, Grand Prairie, TX 75050.	April 1, 2015	485472
Tarrant (FEMA Docket No.: B–1472).	City of River Oaks (14–06–2601P).	The Honorable Herman Earwood, Mayor, City of River Oaks, 4900 River Oaks Boulevard, River Oaks, TX 76114.	4900 River Oaks Boulevard, River Oaks, TX 76114.	April 3, 2015	480609

[FR Doc. 2015–17519 Filed 7–16–15; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0011; OMB No. 1660–NEW]

Agency Information Collection Activities: Submission for OMB Review; Comment Request; Integrated Public Alert and Warning Systems (IPAWS) Memorandum of Agreement Applications

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: The Federal Emergency Management Agency (FEMA) will submit the information collection abstracted below to the Office of Management and Budget for review and clearance in accordance with the requirements of the Paperwork Reduction Act of 1995. The submission will describe the nature of the information collection, the categories of respondents, the estimated burden (*i.e.,* the time, effort and resources used by respondents to respond) and cost, and the actual data collection instruments FEMA will use. This proposed information collection was previously published in the **Federal Register** on April 21, 2015, and allowed 60 days for public comment. No comments were received. The purpose of this notice is to allow an additional 30 days for public comment.

DATES: Comments must be submitted on or before August 17, 2015.

ADDRESSES: Submit written comments on the proposed information collection to the Office of Information and Regulatory Affairs, Office of Management and Budget. Comments should be addressed to the Desk Officer for the Department of Homeland Security, Federal Emergency Management Agency, and sent via electronic mail to *oira.submission@omb.eop.gov*.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection should be made to Director, Records Management Division, 500 C Street SW., Washington, DC 20472–3100, or email address *FEMA-Information-Collections-Management@fema.dhs.gov*.

SUPPLEMENTARY INFORMATION:

Collection of Information

Title: Integrated Public Alert and Warning Systems (IPAWS) Memorandum of Agreement Applications.

Type of information collection: New information collection.

OMB Number: 1660–NEW.

Form Titles and Numbers: FEMA Form 007–0–25, IPAWS Memorandum of Agreement (MOA) Application; FEMA Form 007–0–26, Memorandum of Agreement Application for (Tribal Governments).

Abstract: A Federal, State, territorial, tribal, or local alerting authority that applies for authorization to use IPAWS is designated as a Collaborative Operating Group or ''COG'' by the IPAWS Program Management Office (PMO). Access to IPAWS is free; however, to send a message using IPAWS, an organization must procure its own IPAWS compatible software. To become a COG, a Memorandum of Agreement (MOA) governing system security must be executed between the sponsoring organization and FEMA.

Affected Public: State, Local or Tribal Government.

Estimated Number of Respondents: 160.

Estimated Total Annual Burden Hours: 160 hours.

Estimated Cost: The estimated annual cost to respondents for the hour burden is $6,128.00. There are no annual costs to respondents' operations and maintenance costs for technical services. There are no annual start-up or capital costs. The cost to the Federal Government is $74,343.00.

Dated: July 10, 2015.

Janice Waller,

Acting Director, Records Management Division, Mission Support Bureau, Federal Emergency Management Agency, Department of Homeland Security.

[FR Doc. 2015–17524 Filed 7–16–15; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0001; Internal Agency Docket No. FEMA–B–1525]

Changes in Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice lists communities where the addition or modification of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or the regulatory floodway (hereinafter referred to as flood hazard determinations), as shown on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports, prepared by the Federal Emergency Management Agency (FEMA) for each community, is appropriate because of new scientific or technical data. The FIRM, and where applicable, portions of the FIS report, have been revised to reflect these flood hazard determinations through issuance of a Letter of Map Revision (LOMR), in accordance with Title 44, Part 65 of the Code of Federal Regulations (44 CFR part 65). The LOMR will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings. For rating purposes, the currently effective community number is shown in the table below and must be used for all new policies and renewals.

DATES: These flood hazard determinations will become effective on the dates listed in the table below and revise the FIRM panels and FIS report in effect prior to this determination for the listed communities.

From the date of the second publication of notification of these changes in a newspaper of local circulation, any person has 90 days in which to request through the community that the Deputy Associate Administrator for Mitigation reconsider the changes. The flood hazard determination information may be changed during the 90-day period.

ADDRESSES: The affected communities are listed in the table below. Revised flood hazard information for each community is available for inspection at both the online location and the respective community map repository address listed in the table below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

Submit comments and/or appeals to the Chief Executive Officer of the community as listed in the table below.

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov;* or visit the FEMA Map Information eXchange

(FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: The specific flood hazard determinations are not described for each community in this notice. However, the online location and local community map repository address where the flood hazard determination information is available for inspection is provided.

Any request for reconsideration of flood hazard determinations must be submitted to the Chief Executive Officer of the community as listed in the table below.

The modifications are made pursuant to section 201 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4105, and are in accordance with the National Flood Insurance Act of 1968, 42 U.S.C. 4001 *et seq.,* and with 44 CFR part 65.

The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

These flood hazard determinations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities. The flood hazard determinations are in accordance with 44 CFR 65.4.

The affected communities are listed in the following table. Flood hazard determination information for each community is available for inspection at both the online location and the respective community map repository address listed in the table below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: June 25, 2015.

Roy E. Wright,

Deputy Associate Administrator for Insurance and Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

State and county	Location and case No.	Chief executive officer of community	Community map repository	Online location of letter of map revision	Effective date of modification	Community No.
Idaho: Teton	Unincorporated areas of Teton County (15–10–0131P).	The Honorable Bill Leake, Chair, Board of Teton County Commissioners, Teton County Courthouse, 150 Courthouse Drive, Driggs, ID 83422.	89 N Main Street, Suite 6, P.O. Box 763, Driggs, ID 83422.	*http://www.msc.fema.gov/lomc.*	October 16, 2015	160230
Illinois:						
Cook	Village of Palatine (15–05–3589P).	The Honorable Jim Schwantz, Mayor, Village of Palatine, 150 West Wilson Street, Palatine, IL 60067.	Village Hall, 200 East Wood Street, Palatine, IL 60067.	*http://www.msc.fema.gov/lomc.*	October 6, 2015	175170
Sangamon	City of Springfield (14–05–6241P).	The Honorable J. Michael Houston, Mayor, City of Springfield, 800 East Monroe, Room 300, Springfield, IL 62701.	Springfield-Sangamon Regional Planning Commission, 200 South 9th, Room 212, Springfield, IL 62701.	*http://www.msc.fema.gov/lomc.*	September 29, 2015	170604
Sangamon	Unincorporated areas of Sangamon County (14–05–6241P).	The Honorable Andy Van Meter, Sangamon County Chairman, 200 South 9th Street, Room 201, Springfield, IL 62701.	Springfield-Sangamon County Regional Planning Commission, 200 South 9th, Room 212, Springfield, IL 62701.	*http://www.msc.fema.gov/lomc.*	September 29, 2015	170912
Indiana: Lake	City of Hammond (15–05–1481P).	The Honorable Thomas M. McDermott, Jr., Hammond City Hall, Second Floor, 5925 Calumet Avenue, Hammond, IN 46320.	5925 Calumet Avenue, Hammond, IN 46320.	*http://www.msc.fema.gov/lomc.*	October 2, 2015	180134
Kansas:						
Reno	City of Hutchinson (15–07–0592P).	The Honorable Cindy Proett, Mayor, City of Hutchinson, City Hall, 125 East Avenue B, Hutchinson, KS 67501.	600 Scott Boulevard, S. Hutchinson, KS 67505.	*http://www.msc.fema.gov/lomc.*	October 2, 2015	200283
Reno	Unincorporated areas of Reno County (15–07–0592P).	The Honorable James D. Schlickau, Chairman, Reno County Commission, 206 West 1st Avenue, Hutchinson, KS 67505.	125 East Avenue B, Hutchinson, KS 67501.	*http://www.msc.fema.gov/lomc.*	October 2, 2015	200567
Maine: York	Town of York (15–01–0844P).	Mr. Stephen H. Burns, Town Manager, Town of York, 186 York Street, York, ME 03909.	62 Arlington Street, Dracut, MA 01826.	*http://www.msc.fema.gov/lomc.*	October 1, 2015	230159
Massachusetts: Middlesex.	Town of Dracut (15–01–0572P).	Mrs. Cathy Richardson, Chairperson, Board of Selectman, Town Hall, 62 Arlington Street, Dracut, MA 01826.	62 Arlington Street, Dracut, MA 01826.	*http://www.msc.fema.gov/lomc.*	September 24, 2015	250190

State and county	Location and case No.	Chief executive officer of community	Community map repository	Online location of letter of map revision	Effective date of modification	Community No.
New Hampshire: Merrimack.	Town of Hooksett (14–01–3205P).	The Honorable James Sullivan, Town of Hooksett Councilor at Large, 35 Main Street, Hooksett, NH 03106.	16 Main Street, Hooksett, NH 03106.	*http://www.msc.fema.gov/lomc.*	September 15, 2015	330115
Oregon: Tillamook.	Unincorporated areas of Tillamook County (14–10–1727P).	Mr. Tim Josi, Board of County Commissioners, Tillamook County, 201 Laurel Avenue, Tillamook, OR 97141.	Courthouse, 201 Laurel Avenue, Tillamook, OR 97141.	*http://www.msc.fema.gov/lomc.*	September 24, 2015	410196

[FR Doc. 2015–17522 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4223–DR; Docket ID FEMA–2015–0002]

Texas; Amendment No. 6 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Texas (FEMA–4223–DR), dated May 29, 2015, and related determinations.

DATES: Effective date: July 1, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Texas is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 29, 2015.

Brazoria and Ellis Counties for Individual Assistance.

Bowie, Cherokee, and Harrison Counties for Individual Assistance (already designated for Public Assistance).

Callahan, Dickens, Edwards, Frio, Hartley, Hill, Leon, Parker, Real, Trinity, and Victoria Counties for Public Assistance.

Dallas, Eastland, Hidalgo, and Nueces Counties for Public Assistance (already designated for Individual Assistance).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17609 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4218–DR; Docket ID FEMA–2015–0002]

Kentucky; Amendment No. 1 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the Commonwealth of Kentucky (FEMA–4218–DR), dated May 12, 2015, and related determinations.

DATES: *Effective Date:* July 9, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the Commonwealth of Kentucky is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 12, 2015.

Bath and Harlan Counties for Public Assistance.

Bath County for snow assistance under the Public Assistance program for any 48-hour period during or proximate the incident period.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17516 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0001; Internal Agency Docket No. FEMA–B–1521]

Proposed Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: Comments are requested on proposed flood hazard determinations, which may include additions or modifications of any Base Flood Elevation (BFE), base flood depth, Special Flood Hazard Area (SFHA) boundary or zone designation, or regulatory floodway on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports for the communities listed in the table

below. The purpose of this notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that the Federal Emergency Management Agency (FEMA) has provided to the affected communities. The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report, once effective, will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings.

DATES: Comments are to be submitted on or before October 15, 2015.

ADDRESSES: The Preliminary FIRM, and where applicable, the FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

You may submit comments, identified by Docket No. FEMA–B–1521, to Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov.*

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov;* or visit the FEMA Map Information eXchange (FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: FEMA proposes to make flood hazard determinations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed flood hazard determinations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities. These flood hazard determinations are used to meet the floodplain management requirements of the NFIP and also are used to calculate the appropriate flood insurance premium rates for new buildings built after the FIRM and FIS report become effective.

The communities affected by the flood hazard determinations are provided in the tables below. Any request for reconsideration of the revised flood hazard information shown on the Preliminary FIRM and FIS report that satisfies the data requirements outlined in 44 CFR 67.6(b) is considered an appeal. Comments unrelated to the flood hazard determinations also will be considered before the FIRM and FIS report become effective.

Use of a Scientific Resolution Panel (SRP) is available to communities in support of the appeal resolution process. SRPs are independent panels of experts in hydrology, hydraulics, and other pertinent sciences established to review conflicting scientific and technical data and provide recommendations for resolution. Use of the SRP only may be exercised after FEMA and local communities have been engaged in a collaborative consultation process for at least 60 days without a mutually acceptable resolution of an appeal. Additional information regarding the SRP process can be found online at *http://floodsrp.org/pdfs/srp_fact_sheet.pdf.*

The watersheds and/or communities affected are listed in the tables below. The Preliminary FIRM, and where applicable, FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables. For communities with multiple ongoing Preliminary studies, the studies can be identified by the unique project number and Preliminary FIRM date listed in the tables. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: June 25, 2015.

Roy E. Wright,

Deputy Associate Administrator for Insurance and Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Polk County, FL and Incorporated Areas	
Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata Project: 10–04–8635S Preliminary Date: March 27, 2015	
City of Auburndale	City Hall, One Bobby Green Plaza, Auburndale, FL 33823.
City of Bartow	City Hall, Building Department, 450 North Wilson Avenue, Bartow, FL 33830.
City of Davenport	City Hall, One South Allapaha Avenue, Davenport, FL 33836.
City of Eagle Lake	City Hall, 75 North Seventh Street, Eagle Lake, FL 33839.
City of Fort Meade	Building Department, Eight West Broadway Street, Fort Meade, FL 33841.
City of Frostproof	City Hall, 111 West First Street, Frostproof, FL 33843.
City of Haines City	City Hall, 620 East Main Street, Haines City, FL 33844.
City of Lake Alfred	Buiding Department, 120 East Pomelo Street, Lake Alfred, FL 33850.
City of Lake Wales	Municipal Administration Building, 201 West Central Avenue, Lake Wales, FL 33853.
City of Lakeland	City Hall, 228 South Massachusetts Avenue, Lakeland, FL 33801.
City of Mulberry	City Hall, 104 South Church Avenue, Mulberry, FL 33860.
City of Polk City	City Hall, 123 Broadway Boulevard Southeast, Polk City, FL 33868.
City of Winter Haven	City Hall, 451 Third Street Northwest, Winter Haven, FL 33881.
Town of Dundee	Town Hall, 202 East Main Street, Dundee, FL 33838.

Community	Community map repository address
Town of Hillcrest Heights	Hillcrest Heights Town Hall, 151 North Scenic Highway, Babson Park, FL 33827.
Town of Lake Hamilton	Town Hall, 100 Smith Avenue, Lake Hamilton, FL 33851.
Unincorporated Areas of Polk County	Polk County Engineering Division, 330 West Church Street, Bartow, FL 33830.
Village of Highland Park	Village of Highland Park, Polk County Engineering Division, 330 West Church Street, Bartow, FL 33830.
Henry County, GA and Incorporated Areas	
Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata Project:12–04–7371S Preliminary Date: February 27, 2015	
City of Hampton	City Hall, 17 East Main Street South, Hampton, GA 30228.
City of Locust Grove	City Hall, 3644 Highway 42, Locust Grove, GA 30248.
City of McDonough	City Hall, 136 Keys Ferry Street, McDonough, GA 30253.
City of Stockbridge	City Hall, 4640 North Henry Boulevard, Stockbridge, GA 30281.
Unincorporated Areas of Henry County	Henry County Courthouse, 140 Henry Parkway, McDonough, GA 30253.
Rogers County, OK and Incorporated Areas	
Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata Project:13–06–0180S Preliminary Date: January 9, 2015	
City of Catoosa	City Hall, 214 South Cherokee Street, Catoosa, OK 74015.
City of Tulsa	Stormwater Design Office, 2317 South Jackson Street, Suite 302, Tulsa, OK 74103.
Town of Fair Oaks	Robson Ranch Office/Fair Oaks Town Hall, 23515 East 31st Street, Catoosa, OK 74015.
Unincorporated Areas of Rogers County	Rogers County Courthouse, 200 South Lynn Riggs Boulevard, Claremore, OK 74017.
Tulsa County, OK and Incorporated Areas	
Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata Project:13–06–0180S Preliminary Dates: December 22, 2014 and January 9, 2015	
City of Broken Arrow	Operations Building, 485 North Poplar Avenue, Broken Arrow, OK 74012.
City of Tulsa	Stormwater Design Office, 2317 South Jackson Street, Suite 302, Tulsa, OK 74103.
Unincorporated Areas of Tulsa County	Tulsa County Annex Building, 633 West 3rd, Room 140, Tulsa, OK 74127.
Wagoner County, OK and Incorporated Areas	
Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata Project:13–06–0180S Preliminary Dates: December 22, 2014 and January 9, 2015	
City of Broken Arrow	Operations Building, 485 North Poplar Avenue, Broken Arrow, OK 74012.
City of Catoosa	City Hall, 214 South Cherokee Street, Catoosa, OK 74015.
City of Coweta	City Hall, 310 South Broadway, Coweta, OK 74429.
City of Tulsa	Stormwater Design Office, 2317 South Jackson Street, Suite 302, Tulsa, OK 74103.
Town of Fair Oaks	Robson Ranch Office/Fair Oaks Town Hall, 23515 East 31st Street, Catoosa, OK 74015.
Unincorporated Areas of Wagoner County	Wagoner County Courthouse, 307 East Cherokee Street, Wagoner, OK 74467.

[FR Doc. 2015–17605 Filed 7–16–15; 08:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4223–DR; Docket ID FEMA–2015–0002]

Texas; Amendment No. 7 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Texas (FEMA–4223–DR), dated May 29, 2015, and related determinations.

DATES: *Effective Date:* July 9, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Texas is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 29, 2015.

Erath, Jim Wells, and Montgomery Counties for Individual Assistance.

Angelina, Frio, and Trinity Counties for Individual Assistance (already designated for Public Assistance).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17513 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4222–DR; Docket ID FEMA–2015–0002]

Oklahoma; Amendment No. 10 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Oklahoma (FEMA–4222–DR), dated May 26, 2015, and related determinations.

DATES: *Effective Date:* July 10, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Oklahoma is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 26, 2015.

Delaware, Greer, Harman, and Nowata Counties for Public Assistance.

Mayes County for Public Assistance (already designated for Individual Assistance).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17517 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4227–DR; Docket ID FEMA–2015–0002]

Wyoming; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Wyoming (FEMA–4227–DR), dated July 7, 2015, and related determinations.

DATES: *Effective Date:* July 7, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated July 7, 2015, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the ''Stafford Act''), as follows:

I have determined that the damage in certain areas of the State of Wyoming resulting from severe storms and flooding during the period of May 24 to June 6, 2015, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.* (the ''Stafford Act''). Therefore, I declare that such a major disaster exists in the State of Wyoming.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation and Other Needs Assistance will be limited to 75 percent of the total eligible costs.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Thomas J. McCool, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Wyoming have been designated as adversely affected by this major disaster:

Johnson and Niobrara Counties for Individual Assistance.

All areas within the State of Wyoming are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17512 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4223–DR; Docket ID FEMA–2015–0002]

Texas; Amendment No. 5 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Texas (FEMA–4223–DR), dated May 29, 2015, and related determinations.

DATES: *Effective Date:* June 24, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Texas is hereby amended to include the following area among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 29, 2015.

Fayette County for Individual Assistance (already designated for Public Assistance).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17610 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4222–DR; Docket ID FEMA–2015–0002]

Oklahoma; Amendment No. 9 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Oklahoma (FEMA–4222–DR), dated May 26, 2015, and related determinations.

DATES: Effective date: July 2, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Oklahoma is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 26, 2015.

Mayes and Tulsa Counties for Individual Assistance.

Carter, Jefferson, Latimer, Okfuskee, Okmulgee, Pushmataha, and Stephens Counties for Individual Assistance (already designated for Public Assistance).

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17613 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0001]

Final Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final notice.

SUMMARY: Flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final for the communities listed in the table below.

The FIRM and FIS report are the basis of the floodplain management measures that a community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the Federal Emergency Management Agency's (FEMA's) National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report are used by insurance agents and others to calculate appropriate flood insurance premium rates for buildings and the contents of those buildings.

DATES: The effective date of July 16, 2015, which has been established for the

FIRM and, where applicable, the supporting FIS report showing the new or modified flood hazard information for each community.

ADDRESSES: The FIRM, and if applicable, the FIS report containing the final flood hazard information for each community is available for inspection at the respective Community Map Repository address listed in the tables below and will be available online through the FEMA Map Service Center at *www.msc.fema.gov* by the effective date indicated above.

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov;* or visit the FEMA Map Information eXchange (FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency (FEMA) makes the final determinations listed below for the new or modified flood hazard information for each community listed. Notification of these changes has been published in newspapers of local circulation and 90 days have elapsed since that publication. The Deputy Associate Administrator for Mitigation has resolved any appeals resulting from this notification.

This final notice is issued in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR part 67. FEMA has developed criteria for floodplain management in floodprone areas in accordance with 44 CFR part 60.

Interested lessees and owners of real property are encouraged to review the new or revised FIRM and FIS report available at the address cited below for each community or online through the FEMA Map Service Center at *www.msc.fema.gov.*

The flood hazard determinations are made final in the watersheds and/or communities listed in the table below.

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: June 25, 2015.

Roy E. Wright,

Deputy Associate Administrator for Insurance and Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Worcester County, Maryland, and Incorporated Areas Docket No.: FEMA–B–1359	
City of Pocomoke City	City Hall, 101 Clarke Avenue, Pocomoke City, MD 21851.
Town of Berlin	Town Hall/Planning, 10 William Street, Berlin, MD 21811.
Town of Ocean City	City Hall, 301 Baltimore Avenue, Ocean City, MD 21842.
Town of Snow Hill	Town Hall, 103 Bank Street, Snow Hill, MD 21863.
Unincorporated Areas of Worcester County	Development Review and Permitting Office, 1 West Market Street, Room 1201, Snow Hill, MD 21863.
City of Hopewell, Virginia (Independent City) Docket No.: FEMA–B–1401	
City of Hopewell	City Hall, 300 North Main Street, Hopewell, VA 23860.

[FR Doc. 2015–17601 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2015–0001; Internal Agency Docket No. FEMA–B–1524]

Proposed Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: Comments are requested on proposed flood hazard determinations, which may include additions or modifications of any Base Flood Elevation (BFE), base flood depth, Special Flood Hazard Area (SFHA) boundary or zone designation, or regulatory floodway on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports for the communities listed in the table below. The purpose of this notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that the Federal Emergency Management Agency (FEMA) has provided to the affected communities. The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report, once effective, will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings.

DATES: Comments are to be submitted on or before October 15, 2015.

ADDRESSES: The Preliminary FIRM, and where applicable, the FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

You may submit comments, identified by Docket No. FEMA–B–1524, to Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov.*

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov;* or visit the FEMA Map Information eXchange (FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: FEMA proposes to make flood hazard

determinations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed flood hazard determinations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities. These flood hazard determinations are used to meet the floodplain management requirements of the NFIP and also are used to calculate the appropriate flood insurance premium rates for new buildings built after the FIRM and FIS report become effective.

The communities affected by the flood hazard determinations are provided in the tables below. Any request for reconsideration of the revised flood hazard information shown on the Preliminary FIRM and FIS report that satisfies the data requirements outlined in 44 CFR 67.6(b) is considered an appeal. Comments unrelated to the flood hazard determinations also will be considered before the FIRM and FIS report become effective.

Use of a Scientific Resolution Panel (SRP) is available to communities in support of the appeal resolution process. SRPs are independent panels of experts in hydrology, hydraulics, and other pertinent sciences established to review conflicting scientific and technical data and provide recommendations for resolution. Use of the SRP only may be exercised after FEMA and local communities have been engaged in a collaborative consultation process for at least 60 days without a mutually acceptable resolution of an appeal. Additional information regarding the SRP process can be found online at *http://floodsrp.org/pdfs/srp_fact_sheet.pdf.*

The watersheds and/or communities affected are listed in the tables below. The Preliminary FIRM, and where applicable, FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables. For communities with multiple ongoing Preliminary studies, the studies can be identified by the unique project number and Preliminary FIRM date listed in the tables. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at *www.msc.fema.gov* for comparison.

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: June 25, 2015.

Roy E. Wright,

Deputy Associate Administrator for Insurance and Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

I. Watershed-based studies:

II. Non-watershed-based studies:

Community	Community map repository address
Cochise County, AZ and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata* Project:11–09–0875S Preliminary Dates: February 24, 2014 and February 27, 2015	
City of Douglas	Department of Public Works, 425 East 10th Street, Douglas, AZ 85607.
Unincorporated Areas of Cochise County	Cochise County Flood Control District, 1415 West Melody Lane, Building F, Bisbee, AZ 85603.
Jackson County, MO and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata* Project:07–07–0023S Preliminary Date: October 10, 2014	
City of Blue Springs	City Hall, 903 West Main Street, Blue Springs, MO 64015.
City of Buckner	Municipal Building, 315 South Hudson Street, Buckner, MO 64016.
City of Grain Valley	City Hall, 711 Main Street, Grain Valley, MO 64029.
City of Grandview	City Hall, 1200 Main Street, Grandview, MO 64030.
City of Greenwood	City Hall, 709 West Main Street, Greenwood, MO 64034.
City of Independence	Public Works Department, 111 East Maple Avenue, Independence, MO 64050.
City of Kansas City	City Hall, Planning and Development, 415 East 12th Street, 15th Floor, Kansas City, MO 64106.
City of Lake Lotawana	City Hall, 100 Lake Lotawana Drive, Lake Lotawana, MO 64086.
City of Lake Tapawingo	City Hall, 144 Anchor Drive, Lake Tapawingo, MO 64015.
City of Lee's Summit	City Hall, 220 Southeast Green Street, Lee's Summit, MO 64063.
City of Levasy	City Hall, 103 Pacific Street, Levasy, MO 64066.
City of Lone Jack	City Hall, 207 North Bynum Road, Lone Jack, MO 64070.
City of Oak Grove	City Hall, 1300 South Broadway Street, Oak Grove, MO 64075.
City of Raytown	City Hall, 10000 East 59th Street, Raytown, MO 64133.
City of Sugar Creek	City Hall, 103 South Sterling Avenue, Sugar Creek, MO 64054.
Unincorporated Areas of Jackson County	Jackson County Courthouse, 415 East 12th Street, Kansas City, MO 64106.
Village of River Bend	Village Hall, 3923 North Cobbler Road, River Bend, MO 64058.
Village of Sibley	City Hall, 208 Front Street, Sibley, MO 64088.
Village of Unity	Facilities Building, 1901 Northwest Blue Parkway, Unity, MO 64065.

[FR Doc. 2015–17607 Filed 7–16–15; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4222–DR; Docket ID FEMA–2015–0002]

Oklahoma; Amendment No. 8 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Oklahoma (FEMA–4222–DR), dated

DATES: May 26, 2015, and related determinations.

DATES: Effective date: June 17, 2015.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Oklahoma is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of May 26, 2015.

Rogers County for Individual Assistance.

Choctaw, Cotton, and Tillman Counties for Individual Assistance (already designated for Public Assistance).

Craig, Custer, Dewey, Grant, Jefferson, Kay, Kingfisher, Major, Noble, Ottawa, and Roger Mills Counties for Public Assistance.

Kiowa, Oklahoma, and Wagoner Counties for Public Assistance (already designated for Individual Assistance).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2015–17612 Filed 7–16–15; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5828–N–29]

Federal Property Suitable as Facilities To Assist the Homeless

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

FOR FURTHER INFORMATION CONTACT: Juanita Perry, Department of Housing and Urban Development, 451 Seventh Street SW., Room 7262, Washington, DC 20410; telephone (202) 402–3970; TTY number for the hearing- and speech-impaired (202) 708–2565, (these telephone numbers are not toll-free), or call the toll-free Title V information line at 800–927–7588.

SUPPLEMENTARY INFORMATION: In accordance with the December 12, 1988 court order in *National Coalition for the Homeless* v. *Veterans Administration,* No. 88–2503–OG (D.D.C.), HUD publishes a Notice, on a weekly basis, identifying unutilized, underutilized, excess and surplus Federal buildings and real property that HUD has reviewed for suitability for use to assist the homeless. Today's Notice is for the purpose of announcing that no additional properties have been determined suitable or unsuitable this week.

Dated: July 9, 2015.

Juanita Perry,

SNAPS Specialist/Title V Lead, Office of Special Needs Assistance Programs.

[FR Doc. 2015–17270 Filed 7–16–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–IA–2015–N077; FXIA16710900000–145–FF09A30000]

Notice of Continued Suspension of Imports of Zimbabwe Elephant Trophies Taken On or After April 4, 2014

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: On March 26, 2015, the U.S. Fish and Wildlife Service (Service) made a determination that the suspension on the import of sport-hunted African elephant trophies taken in Zimbabwe on or after April 4, 2014, would be continued until further notice. The decision to continue the suspension on importation of African elephant trophies taken in Zimbabwe through the 2015 hunting season and future hunting seasons is due to the Service's inability to determine that the killing of the animal whose trophy is intended for import into the United States would enhance the survival of the species in the wild. The suspension on importation of trophies taken during calendar year 2015 or future hunting seasons could be lifted if additional information on the status and management of elephants in Zimbabwe becomes available which satisfies the conditions of the 4(d) special rule under the Endangered Species Act (Act).

ADDRESSES: Timothy J. Van Norman, Chief, Branch of Permits, Division of Management Authority, U.S. Fish and Wildlife Service, MS: IA, 5275 Leesburg Pike, Falls Church, VA 22041–3803; fax (703) 358–2280; or email *DMAFR@fws.gov*.

FOR FURTHER INFORMATION CONTACT: Timothy J. Van Norman, (703) 358–2104 (telephone); (703) 358–2280 (fax); or *DMAFR@fws.gov* (email).

SUPPLEMENTARY INFORMATION: The African elephant (*Loxodonta africana*) is listed as threatened under the Endangered Species Act (Act), 16 U.S.C. 1531 *et seq.,* and is regulated under a special rule found at 50 CFR 17.40(e). The special rule includes specific requirements for the import of sport-hunted trophies. Under paragraph 17.40(e)(3)(iii)(C), in order for the Service to authorize the import of a sport-hunted elephant trophy, the Service must find that the killing of the animal whose trophy is intended for import would enhance the survival of the species in the wild (an ''enhancement finding'').

Zimbabwe has had an active elephant hunting program for over 20 years, and imports into the United States have occurred at least since 1997, when the Zimbabwe elephant population, along with populations in Botswana and Namibia, was downlisted to Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (South Africa's population was downlisted at a later date). When the population was downlisted, the Service published a notice in the **Federal Register** regarding the downlisting that acknowledged that, because elephants in Zimbabwe were an Appendix-II population, no U.S. import permit would be required to import trophies, but we did state that, in accordance with the special rule under the Act, the requirement for an enhancement finding would continue to apply (62 FR 44627; August 22, 1997). In that notice, we stated that, in making the required enhancement finding for the import of sport-hunted trophies, the Service would review the status of the elephant population and the total management program for elephants in each country to ensure that the program was promoting the conservation of the species.

On April 4, 2014, the Service announced an interim suspension of imports of sport-hunted elephant trophies taken in Zimbabwe during the 2014 season. This finding was revised on April 17, 2014, primarily to clarify that the suspension applied only to elephants hunted on or after April 4, 2014. This determination was announced in the **Federal Register** on May 12, 2014 (79 FR 26986). The decision to establish an interim suspension of imports of elephant trophies from Zimbabwe was due to the Service having insufficient information on the status of elephants in Zimbabwe and on Zimbabwe's current elephant management program to make an enhancement finding. On July 17, 2014, the Service found that the import of elephant trophies taken in Zimbabwe in 2014 on or after April 4, 2014, would be suspended; this finding was revised on July 22 to make non-substantive corrections. This determination was announced in the **Federal Register** on July 31, 2014 (79 FR 44459). The decision to uphold the suspension on July 17, 2014, was due to the Service being unable to make an enhancement finding even after receiving additional materials from Zimbabwe's Parks and Wildlife Management Authority (ZPWMA) and others. The Service decided on March 26, 2015, to continue the July 2014 suspension until such time as the Service can determine that the importation of sport-hunted elephant trophies from Zimbabwe meet the criteria under the regulations at 50 CFR 17.40(e)(3)(iii)(C). The Service's March 26, 2015, decision was again due to the Service being unable to make an enhancement finding even after receiving additional materials from Zimbabwe's Parks and Wildlife Management Authority (ZPWMA) and others.

Prior to April 4, 2014, the Service had limited information regarding the elephant population in Zimbabwe, its management, and how U.S. hunters were contributing to the enhancement of the species within Zimbabwe. Due to this limited information, the Service determined that it did not have sufficient information to make the required determination under paragraph 17.40(e)(3)(iii)(C), and therefore announced an interim suspension on April 4, 2015 (revised on April 17), until such time as sufficient information was obtained that would allow the Service to make the required finding. On April 4, 2014, the Service also sent a letter to Zimbabwe requesting information regarding the status of elephants in Zimbabwe and the hunting program. On April 17, 2014, the Director-General of ZPWMA sent a response to the Service inquiry. Several weeks later, the Service received a number of documents, copies of Zimbabwean laws, and other supporting documentation that was referenced in the ZPWMA response. In addition, since that time, the Service has received additional supporting information from individuals and associations connected to the hunting industry in Zimbabwe or southern Africa and U.S.-based conservation and hunting nongovernmental organizations (NGOs). The Service also delivered a second letter, dated October 31, 2014, to ZPWMA while attending the 13th Annual African Wildlife Consultative Forum in Ethiopia. This letter requested clarification of information submitted to the Service, and also requested additional information to address questions that were raised from our review of available information. The Service received a response to this inquiry on December 10, 2014.

Based on the information provided, Zimbabwe's current national elephant management plan consists primarily of two documents: *The Policy and Plan for Elephant Management in Zimbabwe* (1997) and *Elephant Management in Zimbabwe, third edition* (July 1996). Although the documents provide a well-developed list of goals and objectives, there is no information in these documents on how to achieve or fulfill these goals and objectives, nor do there appear to be any subsequent updates of the documents or reports that provide any indication of progress on fulfilling these management goals and objectives. Without management plans with specific goals and actions that are measurable and reports on the progress of meeting these goals, the Service cannot determine if ZPWMA is implementing the general goals and objectives that appear in *Elephant Management in Zimbabwe* and *The Policy and Plan for Elephant Management in Zimbabwe*. In December 2014, a workshop, hosted by ZPWMA, was held at the Hwange Safari Lodge, Zimbabwe, to discuss revisions to the management plans, particularly to establish clearer goals and measurable outcomes. It appears that the participants of the workshop agreed on a framework for a revised management plan that maintained the original 1997 long-term vision and the three target goals (*i.e.,* maintain at least four demographically and genetically viable populations; maintain or increase elephant range; maintain numbers/densities of elephants at levels that do not adversely impact biodiversity conservation goals while contributing to economically viable and sustainable wildlife-based land uses). The participants also began work on identifying strategic objectives and outputs, as well as recognizing some key activities, and starting to identify key performance indicators. Additional work is required to finalize the revised management plan. Once this work is completed, the Service will have an opportunity to evaluate the revised plan to determine if, in conjunction with other management actions, the criteria under 50 CFR 17.40(e)(3)(iii)(C) have been met. However, based on the information available to the Service, there is not currently any information indicating that Zimbabwe is implementing, on a national scale, appropriate management measures for its elephant populations.

One concern expressed in the April 2014 and July 2014 findings was whether management of elephants in Zimbabwe was based on accurate population estimates. According to the *IUCN SSC African Elephant Database report 2013 Africa,* the elephant population in Zimbabwe in 2007 was estimated to be 99,107, and in 2012, it was estimated at 100,291. However, these estimates were primarily based on older surveys, some of which dated back to 2001. In 2014, a nationwide survey was conducted in Zimbabwe as part of the Pan African Elephant Aerial Survey.

Preliminary results from the survey indicate that the overall estimated population of elephants in Zimbabwe was 82,000 to 83,000, approximately 20 percent lower than the 2012 estimate. There was an increase in two of the subpopulations within Zimbabwe (North West Matabeleland Region—2001 estimate of 49,312 elephants, and 2014 estimate of 53,949; Gonarezhou National Park—2013 estimate of 10,151 elephants, and 2014 estimate of 10,722), but a decline in the other two subpopulations (Mid Zambezi Valley—2014 estimate of 12,211 elephants, down from 19,297 in 2001; Sebungwe Region—2014 estimate of 3,634, compared to 13,988 in 2001). With the recent survey, ZPWMA should have more accurate population estimates for each subpopulation to establish appropriate off-take levels to maintain a healthy population of elephants.

According to information provided to the Service, Zimbabwe has a methodology, including participation from a number of stakeholders, for establishing annual hunting quotas for all areas of the country. However, while the described methodology appears to be based on sound wildlife management principles, the Service continues to have fundamental questions regarding how quotas are specifically established and how overall off-take, such as poaching and problem animal control, were taken into account, or to what degree biological factors are taken into consideration (as opposed to economic and societal considerations). The current quota setting process utilized by ZPWMA may take into consideration the issues raised in the Service's finding; however, without documentation of the system providing an explanation of the system used and describing the calculations, the Service cannot determine if sport-hunting quotas are reasonable or beneficial to elephant populations and, therefore, whether sport-hunting is enhancing the survival of the species.

The Zimbabwean Parks and Wild Life Act has established the regulatory mechanism for the ZPWMA and its programs, and also provides for substantial penalties for the unlawful possession of or trading in ivory. In addition, the General Laws Amendment Act (No. 5) of 2010 provides for mandatory imprisonment of not less than 9 years for poaching. If properly enforced, it appears these penalties would be a sufficient deterrent for poachers. However, based on the information available to the Service, we do not have a good understanding of the ZPWMA's annual operational budget, how much money is generated by elephant hunting, or how these funding levels impact the ability of ZPWMA to adequately implement the Parks and Wild Life Act or to carry out day-to-day management activities or anti-poaching efforts. In January 1996, the Government of Zimbabwe approved the establishment of the Parks and Wild Life Conservation Fund, a statutory fund responsible for financing operations directly from wildlife revenues. However, revenues generated through sport-hunting conducted on State and private lands are primarily used to finance ZPWMA, and only limited additional funding is available from appropriated funds from the Zimbabwe government or outside funding from NGOs. While the Service did receive additional information from ZPWMA and other sources on the revenue generated through hunting (in general) and other sources (in general), we still lack sufficient information on revenue generated through elephant hunting, particularly from U.S. hunters. It is possible that additional documentation could be provided to substantiate claims that revenue from U.S. hunters generated through elephant hunting provides a significant benefit to elephants in the wild, but until such time, we are unable to determine if these claims are accurate.

In 1989, Zimbabwe established the Communal Areas Management Programme for Indigenous Resources (CAMPFIRE) to encourage reduction in human-elephant conflicts through conservation-based community development and to provide an economic incentive to improve community tolerance of wildlife, including elephants. In the past, the CAMPFIRE program has been the model for community-based conservation efforts in several other African countries and was identified as an innovative program. Under a community-based conservation program, like CAMPFIRE, rural communities should benefit from revenue generated by sport-hunting. With increased human-elephant conflicts on Communal lands, sport-hunting may be an important tool that gives these communities a stake in sustainable management of the elephant as a natural and economic resource and provides the enhancement that would meet the U.S. criteria for authorizing imports of trophies. Much of the information provided to the Service over the past year focused on the benefits U.S. hunters provided to CAMPFIRE activities and community-based wildlife management. However, the information did not provide a clear connection between hunting revenues coming from U.S. hunters (*e.g.,* how much is generated for communities), and indicated that over time, the management of wildlife and benefits provided through CAMPFIRE may have declined. It appears that these concerns were expressed during the November 2014 CAMPFIRE Stakeholder's Workshop held in Zimbabwe. The discussions and recommendations touched on the effectiveness of the CAMPFIRE concept and its relationship to tourist hunting. Participants at the workshop appeared to have made a good start at addressing issues raised by representatives of Rural Development Councils (RDCs), as well as the need for CAMPFIRE to face challenges with limited resources and capacity. It was recognized that there needed to be strong involvement with ZPWMA and safari operators since CAMPFIRE is in areas where there have been both elephant population declines and increased poaching. While the Service's concerns expressed in our earlier findings regarding community-based wildlife management have not been sufficiently addressed in the information provided to the Service to date, there does appear to be movement in better defining the role that CAMPFIRE and community-based wildlife management can play in elephant management, particularly in association with U.S. hunters.

As was stated in the July 2014 and March 26, 2015, findings, there are clearly ''bright spots'' of elephant conservation efforts being carried out by non-governmental entities and individuals in Zimbabwe that are providing a benefit to elephants. Individual safari outfitters and landowners have established their own management efforts, including anti-poaching activities, on areas under their control, either through ownership of the land or leases. These entities have made significant strides to ensure the long-term survival of elephants on their lands. These efforts, however, have been adversely affected by unilateral or seemingly arbitrary actions taken by the central government or RDC, such as land redistribution activities, which minimize conservation efforts, and reduced lease durations. These ''bright spots'' are not numerous enough, in and of themselves, to overcome the problems currently facing Zimbabwe elephant populations or to support a finding that sport hunting throughout Zimbabwe would enhance the survival of the species. While additional information was provided since the July findings, much of this information only expanded on areas already identified in

previous submissions. It should be noted, however, that two workshops involving multiple safari outfitters and leaseholders are scheduled for the beginning of 2015 to identify and address outstanding issues faced by the safari outfitters. It is the hope of the Service that these workshops are successful and can act as a springboard for similar workshops throughout Zimbabwe.

Therefore, based on the information currently available to the Service on government efforts to manage elephant populations, efforts to address human-elephant conflicts and poaching, and the state of the hunting program within the country, and without current data on population numbers and trends being incorporated into a national management strategy or plan, the Service is unable to make a finding that sport-hunting in Zimbabwe is enhancing the survival of the species and that imports of trophies would meet the criteria established under the Act for African elephants. The March 26, 2015, enhancement finding has been posted at *http://www.fws.gov/international/pdf/enhancement-finding-March-2015-elephant-Zimbabwe.pdf.* In addition, the press release announcing the suspension and frequently asked questions is available on the Service's Web page (*www.fws.gov/international*).

This suspension does not prohibit U.S. hunters from traveling to Zimbabwe and participating in an elephant hunt. The Act does not prohibit take (*e.g.,* hunting) outside the United States; it only prohibits import of trophies taken during such hunts without authorization under the Act.

Dated: July 2, 2015.

Timothy J. Van Norman,

Chief, Branch of Permits, Division of Management Authority, U.S. Fish and Wildlife Service.

[FR Doc. 2015–17537 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[15X L1109AF LLUTC03000.161000000. DP0000.LXSS004J0000 24–1A]

Notice of Availability of the Draft Resource Management Plans for the Beaver Dam Wash and Red Cliffs National Conservation Areas; a Draft Amendment to the St. George Field Office Resource Management Plan; and Draft Environmental Impact Statement, Utah

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of availability.

SUMMARY: In accordance with the National Environmental Policy Act (NEPA) of 1969, as amended, the Federal Land Policy and Management Act of 1976, as amended, and the Omnibus Public Lands Management Act of 2009, the Bureau of Land Management (BLM) has prepared Draft Resource Management Plans (RMPs) for the Beaver Dam Wash National Conservation Area and the Red Cliffs National Conservation Area and a Draft Amendment to the St. George Field Office RMP. The three planning efforts were initiated concurrently and are supported by a single Environmental Impact Statement (EIS). By this notice; the BLM announces the opening of the public comment period.

DATES: To ensure that comments will be considered, the BLM must receive written comments on the Draft RMPs/Draft RMP Amendment and Draft EIS within 90 days following the date that the Environmental Protection Agency publishes its Notice of Availability of the Draft RMPs/Draft RMP Amendment and Draft EIS in the **Federal Register**. The BLM will announce future meetings or hearings and any other public participation activities at least 15 days in advance through public notices, media releases, and/or mailings.

ADDRESSES: You may submit comments related to the Draft RMPs/Draft RMP Amendment and Draft EIS by any of the following methods:

- *Email: utsgrmp@blm.gov.*
- *Fax:* 435–688–3252.
- *Mail:* St. George Field Office, Bureau of Land Management, 345 East Riverside Drive, St. George, Utah 84790.

Copies of the Draft RMPs/Draft RMP Amendment and Draft EIS are available in the BLM St. George Field Office, at the above address and the BLM Utah State Office Public Room, 440 West 200 South, Suite 500, Salt Lake City, Utah 84101 during business hours (8:00 a.m. to 4:30 p.m.), Monday through Friday, except holidays. The Draft RMPs/Draft RMP Amendment and Draft EIS is also available on the following Web site: *http://www.blm.gov/ut/st/en/fo/st_george.html.*

FOR FURTHER INFORMATION CONTACT: Keith Rigtrup, RMP Planner, telephone 435–865–3000; address: 345 East Riverside Drive, St. George, Utah 84790; email: *krigtrup@blm.gov.*

Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The purpose of this planning process is to satisfy specific mandates from the Omnibus Public Land Management Act of 2009 (Pub. L. 111–11, at Title 1, Subtitle O, hereinafter OPLMA) that directed the Secretary of the Interior, through the BLM, to develop comprehensive management plans for the Beaver Dam Wash National Conservation Area (63,480 acres of public land) and the Red Cliffs National Conservation Area (44,859 acres of public land), located in Washington County, Utah. Both National Conservation Areas (NCAs) were established on March 30, 2009, when President Barack Obama signed OPLMA into law. The decisions contained within the Draft RMPs/Draft EIS do not pertain to private and State lands within the boundaries of the NCAs.

The need to amend the St. George Field Office RMP (approved in 1999) is also derived from OPLMA. Section 1979 (a)(1) and (2) directed the Secretary, through the BLM, to identify areas located in the County where biological conservation is a priority; and undertake activities to conserve and restore plant and animal species and natural communities within such areas. The administrative designation of new areas of critical environmental concern (ACECs) to provide special management attention to biological resources, as well as the identification of priority biological conservation areas, will satisfy this legislative mandate, and will be accomplished through an amendment to the St. George Field Office RMP.

Section 1977 (b)(1) of OPLMA, directed the BLM to develop a comprehensive travel management plan for public lands in Washington County. The St. George Field Office RMP must be amended to modify certain existing off-highway vehicle (OHV) area designations (open, limited or closed), to be in compliance with the Code of Federal Regulations (CFR) at 43 CFR 8340.0–5, (f), (g), and (h) respectively and 43 CFR 8342.1 (a–d) and related agency policies, before this comprehensive travel management plan can be developed.

Draft RMPs for the Beaver Dam Wash and Red Cliffs NCAs

The Draft RMPs/Draft EIS include goals, objectives, and management actions for conserving, protecting, and enhancing the natural and cultural resource values of the Beaver Dam Wash

and Red Cliffs NCAs. Multiple resource uses are also addressed, including lands available for livestock grazing; recreation and visitor services; and management of lands and realty actions, including delineation of rights-of-way avoidance and exclusion areas. This planning effort considers the establishment of a trail management corridor for the congressionally-designated Old Spanish Trail National Historic Trail through the Beaver Dam Wash NCA.

The Draft RMPs/DEIS analyzes four alternatives for the long term management of resource values and land uses in the two NCAs. Alternative A is the No Action alternative and would continue management of the public lands under current goals, objectives, and management decisions from the 1999 St. George Field Office RMP, as modified by congressional designations pursuant to OPLMA.

Alternative B emphasizes resource protection while allowing land uses and developments that are consistent with the NCA purposes, current laws, regulations, and policies.

Management actions would strive to protect ecologically important areas, native vegetation communities, habitats for wildlife, including special status species, cultural resources, and the scenic qualities of each NCA from natural and human-caused impacts. Intensive management of land uses and authorizations would avoid or lessen resource impacts.

Alternative C emphasizes the conservation and protection of resource values and the restoration of damaged lands, through the use of native species. This alternative would also implement higher levels of restrictions on land uses and developments to achieve conservation objectives.

Alternative D emphasizes a broader array and higher level of public use and access, while still meeting the congressionally-defined purpose of conservation and protection of resource values and scenic qualities in the two NCAs. This alternative would provide the greatest management flexibility relating to land uses and authorizations.

Alternative B has been identified as the BLM's preferred alternative in the Draft RMPs/Draft EIS but does not represent the final agency direction for the two NCAs. The Proposed RMPs, developed as a result of public comment on the Draft RMPs, may include objectives and actions analyzed in the other alternatives and reflect changes or adjustments based on new information or changes in BLM policies or priorities.

Draft RMP Amendment

The Draft EIS also analyzes four alternatives to amend the St. George Field Office RMP to address biological conservation and travel management issues on public lands outside of the two NCAs.

Alternative A (No Action) would continue to manage public lands under the goals, objectives, and decisions of the St. George Field Office RMP. Eight existing ACECs would continue to be managed, under current management prescriptions from that RMP. Area designations for motorized vehicle travel would continue to manage a majority of the public lands as limited to existing roads and trails.

Alternative B (the BLM's preferred alternative) addresses biological conservation through the proposed designation of three new ACECs (South Hills (1,950 acres), State Line (1,410 acres), and Webb Hill (520 acres)) to provide special management for native plant and animal species and natural systems; 8 existing ACECs would be retained, with no changes to the current management prescriptions. A Bull Valley Multi-Species Management Area (87,031 acres) is identified as a priority biological conservation area and management decisions are proposed to protect wildlife habitats and migration corridors. This alternative includes a proposal to identify specific routes for motorized vehicle travel in the St. George Field Office planning area. Route designations and use-limitations will be further developed in a comprehensive travel management plan to be created after the record of decision for these RMPs has been signed.

Alternative C would emphasize the use of special designations to achieve the biological conservation objectives mandated by OPLMA. Under this alternative, 14 new ACECs are proposed for administrative designation: (Dalton Wash (14 acres), Grafton (47 acres), Harrisburg Bench (111 acres), Moody Wash (24 acres), Mosquito Cove (88 acres), North Creek (54 acres), Santa Clara River Baker (32 acres), Santa Clara River Veyo (16 acres), Scarecrow Peak (9,655 acres), Shinob Kibe (70 acres), South Hills (1,950 acres), State Line (1,410 acres), Virgin River (245 acres), and Webb Hill (520 acres)). Eight existing ACECs would be retained. A Bull Valley Multi-Species Management Area (87,031 acres) is identified as a priority biological conservation area and management decisions are proposed to protect wildlife habitats and migration corridors through exclusion of new rights-of-way and closure to fluid leasable and saleable minerals developments. This alternative includes a proposal to identify specific routes for motorized vehicle travel in the St. George Field Office planning area. Route designations and use-limitations will be further developed in a comprehensive travel management plan to be created after the record of decision for these RMPs has been signed.

Alternative D relies primarily on management decisions from the St. George RMP, current laws, regulations, and policies to satisfy OPLMA's legislative direction relating to biological conservation. No new ACECs would be designated and eight currently designated ACECs would be retained. A Bull Valley Multi-Species Management Area (87,031 acres) is identified for management as a priority biological conservation area and management decisions are proposed to protect wildlife habitats through management of 955 acres as a rights-of-way avoidance area. This alternative includes a proposal to identify specific routes for motorized vehicle travel in the St. George Field Office planning area. Route designations and use-limitations will be further developed in a comprehensive travel management plan to be created after the record of decision for these RMPs has been signed.

Pursuant to 43 CFR 1610.7–2(b), this notice announces a concurrent public comment period on proposed ACECs to protect plant and animal species and natural processes. The following management prescriptions may apply to the individual areas under consideration, if administratively designated as ACECs through the RMP amendment process: Retain public lands in federal ownership; avoid or exclude new rights-of-way; close to the harvesting of native seeds, plants, and plant materials for commercial purposes and personal use; close or place use constraints on fluid leasable and saleable mineral developments; close to dispersed camping and recreational target shooting; exclude competitive, commercial, and organized group events; protections via visual resource management class designation; and close or limit motorized travel to designated roads and trails.

Please note that public comments and information submitted including names, street addresses, and email addresses of persons who submit comments will be available for public review and disclosure at the above address during regular business hours (8 a.m. to 4 p.m.), Monday through Friday, except holidays.

Before including your address, phone number, email address, or other personal identifying information in your

comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Authority: 40 CFR 1506.6, 40 CFR 1506.10, 43 CFR 1610.2.

Jenna Whitlock,

Acting State Director.

[FR Doc. 2015–17466 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–DQ–P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

Western Gulf of Mexico Planning Area (WPA) Outer Continental Shelf (OCS) Oil and Gas Lease Sale 246 (WPA Sale 246); MMAA104000

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: Final notice of sale.

SUMMARY: On Wednesday, August 19, 2015, the Bureau of Ocean Energy Management (BOEM) will open and publicly announce bids for blocks offered in the Western Gulf of Mexico Planning Area (WPA) Lease Sale 246 (WPA Sale 246), in accordance with the provisions of the Outer Continental Shelf Lands Act (OCSLA) (43 U.S.C. 1331–1356, as amended) and the implementing regulations issued pursuant thereto (30 CFR parts 550 and 556). The WPA Sale 246 Final Notice of Sale (NOS) Package (Final NOS Package) contains information essential to potential bidders. Bidders are charged with knowing the contents of the documents contained in the Final NOS Package.

Date and Time: Public bid reading for WPA Sale 246 will begin at 9:00 a.m. on Wednesday, August 19, 2015. All times referred to in this document are local time in New Orleans, unless otherwise specified.

Location: The Mercedes-Benz Superdome, 1500 Sugarbowl Drive, New Orleans, Louisiana 70112. The lease sale will be held in the St. Charles Club Room on the second floor (Loge Level). Entry to the Superdome will be on the Poydras Street side of the building through Gate A on the Ground Level; parking will be available at Garage 6.

Bid Submission Deadline: BOEM must receive all sealed bids between 8:00 a.m. and 4:00 p.m. on normal working days, and from 8:00 a.m. to the Bid Submission Deadline of 10:00 a.m. on Tuesday, August 18, 2015, the day before the lease sale. For more information on bid submission, see Section VII, ''Bidding Instructions,'' of this document.

ADDRESSES: Interested parties, upon request, may obtain a compact disc (CD–ROM) containing the Final NOS Package by contacting the BOEM Gulf of Mexico (GOM) Region at the following address: Gulf of Mexico Region Public Information Office, Bureau of Ocean Energy Management, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394, (504) 736–2519 or (800) 200–GULF, or by visiting the BOEM Web site at *http://www.boem.gov/Sale-246/*.

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This Final NOS includes the following sections:

I. Lease Sale Area
II. Statutes and Regulations
III. Lease Terms and Economic Conditions
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V. Information to Lessees
VI. Maps
VII. Bidding Instructions
VIII. Bidding Rules and Restrictions
IX. Forms
X. The Lease Sale
XI. Delay of Sale

I. Lease Sale Area

Blocks Offered for Leasing

In WPA Sale 246, BOEM is offering for lease all blocks and partial blocks listed in the document ''List of Blocks Available for Leasing'' included in this Final NOS Package. All of these blocks are shown on the following leasing maps and Official Protraction Diagrams (OPDs):

Outer Continental Shelf Leasing Maps—Texas Map Numbers 1 Through 8

TX1 South Padre Island Area (revised October 1, 2014)
TX1A South Padre Island Area, East Addition (revised October 1, 2014)
TX2 North Padre Island Area (revised November 1, 2000)
TX2A North Padre Island Area, East Addition (revised November 1, 2000)
TX3 Mustang Island Area (revised November 1, 2000)
TX3A Mustang Island Area, East Addition (revised September 3, 2002)
TX4 Matagorda Island Area (revised November 1, 2000)
TX5 Brazos Area (revised November 1, 2000)
TX5B Brazos Area, South Addition (revised November 1, 2000)
TX6 Galveston Area (revised November 1, 2000)
TX6A Galveston Area, South Addition (revised November 1, 2000)
TX7 High Island Area (revised November 1, 2000)
TX7A High Island Area, East Addition (revised November 1, 2000)
TX7B High Island Area, South Addition (revised November 1, 2000)
TX7C High Island Area, East Addition, South Extension (revised November 1, 2000)
TX8 Sabine Pass Area (revised November 1, 2000)

Outer Continental Shelf Leasing Maps—Louisiana Map Numbers 1A, 1B, and 12

LA1A West Cameron Area, West Addition (revised February 28, 2007)
LA1B West Cameron Area, South Addition (revised February 28, 2007)
LA12 Sabine Pass Area (revised July 1, 2011)

Outer Continental Shelf Official Protraction Diagrams

NG14–03 Corpus Christi (revised November 1, 2000)
NG14–06 Port Isabel (revised October 1, 2014)
NG15–01 East Breaks (revised November 1, 2000)
NG15–02 Garden Banks (revised February 28, 2007)
NG15–04 Alaminos Canyon (revised October 1, 2014)
NG15–05 Keathley Canyon (revised October 1, 2014)
NG15–08 Sigsbee Escarpment (revised October 1, 2014)

Please Note: A CD–ROM (in ArcGIS and Acrobat (.pdf) format) containing all of the GOM Region leasing maps and OPDs, is available from the BOEM Gulf of Mexico Region Public Information Office for a price of $15.00. These GOM Region leasing maps and OPDs also are available online for free in .pdf and .gra formats at *http://www.boem.gov/Official-Protraction-Diagrams.*

For the current status of all WPA leasing maps and OPDs, please refer to 66 FR 28002 (May 21, 2001), 67 FR 60701 (September 26, 2002), 72 FR 27590 (May 16, 2007), 76 FR 54787 (September 2, 2011), 79 FR 32572 (June 5, 2014), and 80 FR 3251 (January 22, 2015). In addition, Supplemental Official OCS Block Diagrams (SOBDs) for blocks containing the U.S. 200-Nautical Mile Limit line and the U.S.-Mexico Maritime and Continental Shelf Boundary line are available. These SOBDs are available from the BOEM Gulf of Mexico Region Public Information Office and on BOEM's Web site at *http://www.boem.gov/Supplemental-Official-OCS-Block-Diagrams-SOBDs/*. For additional information, or to order the above referenced maps or diagrams, please call the Mapping and Automation Section at (504) 731–1457.

All blocks being offered in the lease sale are shown on these leasing maps and OPDs. The available Federal acreage of each whole and partial block in this lease sale is shown in the document

''List of Blocks Available for Leasing'' included in the Final NOS Package. Some of these blocks may be partially leased or deferred, or transected by administrative lines, such as the Federal/State jurisdictional line. A bid on a block must include all of the available Federal acreage of that block. Also, information on the unleased portions of such blocks can be found in the document entitled ''Western Planning Area, Lease Sale 246, August 19, 2015—Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions under Lease or Deferred,'' which is included in this Final NOS Package.

For additional information, please call Mr. Lenny Coats, Chief of the Mapping and Automation Section, at (504) 731–1457.

Blocks Not Offered for Leasing:

The following whole and partial blocks are not offered for lease in this sale:

Whole and partial blocks that lie within the boundaries of the Flower Garden Banks National Marine Sanctuary (Sanctuary) in the East and West Flower Garden Banks and Stetson Bank. The following list identifies all blocks affected by the Sanctuary boundaries:

High Island, East Addition, South Extension (Leasing Map TX7C)
Whole Block: A–398
Portions of Blocks: A–366, A–367, A–374, A–375, A–383, A–384, A–385, A–388, A–389, A–397, A–399, A–401

High Island, South Addition (Leasing Map TX7B)
Portions of Blocks: A–502, A–513

Garden Banks (OPD NG15–02)
Portions of Blocks: 134, 135

The following blocks whose lease status is currently under appeal:

Matagorda Island *(Leasing Map TX4)* Block 632

Matagorda Island *(Leasing Map TX4)* Block 656

Matagorda Island *(Leasing Map TX4)* Block 657

II. Statutes and Regulations

Each lease is issued pursuant and subject to OCSLA, implementing regulations promulgated pursuant thereto, and other applicable statutes and regulations in existence upon the effective date of the lease, as well as those applicable statutes enacted and regulations promulgated thereafter, except to the extent that the after-enacted statutes and regulations explicitly conflict with an express provision of the lease. Each lease is subject to amendments to the applicable statutes and regulations, including, but not limited to, OCSLA, that do not explicitly conflict with an express provision of the lease. The lessee expressly bears the risk that such new or amended statutes and regulations (*i.e.* those that do not explicitly conflict with an express provision of the lease) may increase or decrease the lessee's obligations under the lease.

III. Lease Terms and Economic Conditions

Lease Terms

OCS Lease Form

BOEM will use Form BOEM-2005 (October 2011) to convey leases resulting from this sale. This lease form may be viewed on the BOEM Web site at *http://www.boem.gov/BOEM–2005/.* The lease form will be amended to conform with the specific terms, conditions, and stipulations applicable to each individual lease. The terms, conditions, and stipulations applicable to this sale are set forth below.

Initial Periods

Initial periods are summarized in the following table:

Water depth (meters)	Initial period
0 to <400	Standard initial period is 5 years; the lessee may earn an additional 3 years (*i.e.* for an 8-year extended initial period) if a well is spudded targeting hydrocarbons below 25,000 feet True Vertical Depth Subsea (TVD SS) during the first 5 years of the lease.
400 to <800	Standard initial period is 5 years; the lessee will earn an additional 3 years (*i.e.* for an 8-year extended initial period) if a well is spudded during the first 5 years of the lease.
800 to <1,600	Standard initial period is 7 years; the lessee will earn an additional 3 years (*i.e.* for a 10-year extended initial period) if a well is spudded during the first 7 years of the lease.
1,600 +	10 years.

(1) The standard initial period for a lease in water depths less than 400 meters issued as a result of this sale is 5 years. If the lessee spuds a well targeting hydrocarbons below 25,000 feet TVD SS within the first 5 years of the lease, then the lessee may earn an additional 3 years, resulting in an 8-year extended initial period. The lessee will earn the 8-year extended initial period when the well is drilled to a target below 25,000 feet TVD SS, or the lessee may earn the 8-year extended initial period in cases where the well targets, but does not reach, a depth below 25,000 feet TVD SS due to mechanical or safety reasons, where sufficient evidence is provided.

In order to earn the 8-year extended initial period, the lessee is required to submit to the Bureau of Safety and Environmental Enforcement (BSEE) Gulf of Mexico Regional Supervisor for Production and Development, within 30 days after completion of the drilling operation, a letter providing the well number, spud date, information demonstrating a target below 25,000 feet TVD SS and whether that target was reached, and if applicable, any safety, mechanical, or other problems encountered that prevented the well from reaching a depth below 25,000 feet TVD SS. The BSEE Gulf of Mexico Regional Supervisor for Production and Development must concur in writing that the conditions have been met for the lessee to earn the 8-year extended initial period. The BSEE Gulf of Mexico Regional Supervisor for Production and Development will provide a written response within 30 days of receipt of the lessee's letter.

A lessee that has earned the 8-year extended initial period by spudding a well with a hydrocarbon target below 25,000 feet TVD SS during the first 5 years of the lease, confirmed by BSEE, will not be granted a suspension for that same period under the regulations at 30 CFR 250.175 because the lease is not at risk of expiring.

(2) The standard initial period for a lease in water depths ranging from 400 to less than 800 meters issued as a result of this sale is 5 years. The lessee will earn an additional 3 years, resulting in an 8-year extended initial period, if the lessee spuds a well within the first 5 years of the lease.

In order to earn the 8-year extended initial period, the lessee is required to submit to the appropriate BSEE District Manager, within 30 days after spudding a well, a letter providing the well

number and spud date, and requesting concurrence that the lessee has earned the 8-year extended initial period. The BSEE District Manager will review the request and make a written determination within 30 days of receipt of the request. The BSEE District Manager must concur in writing that the conditions have been met by the lessee to earn the 8-year extended initial period.

(3) The standard initial period for a lease in water depths ranging from 800 to less than 1,600 meters issued as a result of this sale will be 7 years. The lessee will earn an additional 3 years, resulting in a 10-year extended initial period, if the lessee spuds a well within the first 7 years of the lease.

In order to earn the 10-year extended initial period, the lessee is required to submit to the appropriate BSEE District Manager, within 30 days after spudding a well, a letter providing the well number and spud date, and requesting concurrence that the lessee has earned the 10-year extended initial period. The BSEE District Manager will review the request and make a written determination within 30 days of receipt of the request. The BSEE District Manager must concur in writing that the conditions have been met by the lessee to earn the 10-year extended initial period.

(4) The standard initial period for a lease in water depths 1,600 meters or deeper issued as a result of this sale will be 10 years.

Economic Conditions

Minimum Bonus Bid Amounts

- $25.00 per acre or fraction thereof for blocks in water depths less than 400 meters
- $100.00 per acre or fraction thereof for blocks in water depths 400 meters or deeper

BOEM will not accept a bonus bid unless it provides for a cash bonus in the amount equal to, or exceeding, the specified minimum bid of $25.00 per acre or fraction thereof for blocks in water depths less than 400 meters, and $100.00 per acre or fraction thereof for blocks in water depths 400 meters or deeper.

Rental Rates

Annual rental rates are summarized in the following table:

RENTAL RATES PER ACRE OR FRACTION THEREOF

Water depth (meters)	Years 1–5	Years 6, 7, & 8 +
0 to <200	$7.00	$14.00, $21.00, & $28.00
200 to <400	11.00	$22.00, $33.00, & $44.00
400 +	11.00	$16.00

Escalating Rental Rates for Leases With an 8-Year Extended Initial Period in Water Depths Less Than 400 Meters

Any lessee with a lease in less than 400 meters water depth who earns an 8-year extended initial period will pay an escalating rental rate as shown above. The rental rates after the fifth year for blocks in less than 400 meters water depth will become fixed and no longer escalate, if another well is spudded targeting hydrocarbons below 25,000 feet TVD SS after the fifth year of the lease, and BSEE concurs that such a well has been spudded. In this case, the rental rate will become fixed at the rental rate in effect during the lease year in which the additional well was spudded.

Royalty Rate

- 18.75 percent

Minimum Royalty Rate

- $7.00 per acre or fraction thereof per year for blocks in water depths less than 200 meters
- $11.00 per acre or fraction thereof per year for blocks in water depths 200 meters or greater

Royalty Suspension Provisions

The issuance of leases with royalty suspension volumes (RSVs) or other forms of royalty relief is authorized under existing BOEM regulations at 30 CFR part 560. The specific details relating to eligibility and implementation of the various royalty relief programs, including those involving the use of RSVs, are codified in BSEE regulations at 30 CFR part 203. In this sale, the only royalty relief program being offered, which involves the provision of RSVs, relates to the drilling of ultra-deep wells in water depths of less than 400 meters, as described below.

Royalty Suspension Volumes on Gas Production from Ultra-deep Wells

Leases issued as a result of this sale may be eligible for RSVs incentives on gas produced from ultra-deep wells pursuant to 30 CFR part 203. These regulations implement the requirements of the Energy Policy Act of 2005. Under this program, wells on leases in less than 400 meters water depth and completed to a drilling depth of 20,000 feet TVD SS or deeper receive a RSV of 35 billion cubic feet on the production of natural gas. This RSVs incentive is subject to applicable price thresholds set forth in the regulation at 30 CFR part 203.

IV. Lease Stipulations

One or more of the following stipulations may be applied to leases issued as a result of this sale. The detailed text of these stipulations is contained in the ''Lease Stipulations'' section of this Final NOS Package.

(1) Topographic Features
(2) Military Areas
(3) United Nations Convention on the Law of the Sea Royalty Payment
(4) Protected Species
(5) Agreement between the United States of America and the United Mexican States Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico

V. Information to Lessees

The following Information to Lessees (ITL) clauses provide detailed information on certain issues pertaining to this oil and gas lease sale. The detailed text of the following ITL clauses is contained in the ''Information to Lessees'' section of this Final NOS Package.

(1) Navigation Safety
(2) Ordnance Disposal Areas in the WPA
(3) Existing and Proposed Artificial Reefs/Rigs-to-Reefs
(4) Lightering Zones
(5) Indicated Hydrocarbons List
(6) Military Areas in the WPA
(7) BSEE Inspection and Enforcement of Certain Coast Guard Regulations
(8) Potential Sand Dredging Activities in the WPA
(9) Notice of Arrival on the Outer Continental Shelf

(10) Bidder/Lessee Notice of Obligations Related to Criminal/Civil Charges and Offenses, Suspension, or Debarment
(11) Protected Species
(12) Flower Garden Banks Expansion

VI. Maps

The maps pertaining to this lease sale may be found on the BOEM Web site at *http://www.boem.gov/Sale-246.* The following maps also are included in this Final NOS Package:

Lease Terms and Economic Conditions Map

The lease terms and economic conditions and the blocks to which these terms and conditions apply are shown on the map entitled ''Final, Western Planning Area, Lease Sale 246, August 19, 2015, Lease Terms and Economic Conditions.''

Stipulations and Deferred Blocks Map

The blocks to which one or more lease stipulations may apply are shown on the map entitled ''Final, Western Planning Area, Lease Sale 246, August 19, 2015, Stipulations and Deferred Blocks Map.''

VII. Bidding Instructions

Instructions on how to submit a bid, secure payment of the advance bonus bid deposit (if applicable), and what information must be included with the bid are as follows:

Bid Form

For each block bid upon, a separate sealed bid shall be submitted in a sealed envelope (as described below) and must include the following:

- Total amount of the bid in whole dollars only;
- sale number;
- sale date;
- each bidder's exact name;
- each bidder's proportionate interest, stated as a percentage, using a maximum of five decimal places (*e.g.,* 33.33333%);
- typed name and title, and signature of each bidder's authorized officer;
- each bidder's qualification number;
- map name and number or OPD name and number;
- block number; and
- statement acknowledging that the bidder(s) understands that this bid legally binds the bidder(s) to comply with all applicable regulations, including payment of one-fifth of the bonus bid amount on all apparent high bids.

The information required on the bid(s) is specified in the document ''Bid Form'' contained in the Final NOS Package. A blank bid form is provided in the Final NOS Package for convenience and may be copied and completed with the necessary information described above.

Bid Envelope

Each bid must be submitted in a separate sealed envelope labeled as follows:

- ''Sealed Bid for Oil and Gas Lease Sale 246, not to be opened until 9:00 a.m. Wednesday, August 19, 2015;''
- map name and number or OPD name and number;
- block number for block bid upon; and
- the exact name and qualification number of the submitting bidder only.

The Final NOS Package includes a sample bid envelope for reference.

Mailed Bids

If bids are mailed, please address the envelope containing the sealed bid envelope(s) as follows:

Attention: Leasing and Financial Responsibility Section, BOEM Gulf of Mexico Region, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394, Contains Sealed Bids for WPA Oil and Gas Lease Sale 246. Please Deliver to Mr. Chris Oos or Ms. Cindy Thibodeaux, 2nd Floor, Immediately.

Please Note: Bidders mailing bid(s) are advised to call Mr. Chris Oos at (504) 736–2862, or Ms. Cindy Thibodeaux at (504) 736–2809, immediately after putting their bid(s) in the mail. If BOEM receives bids later than the Bid Submission Deadline, the BOEM Regional Director (RD) will return those bids unopened to bidders. Please see ''Section XI. Delay of Sale'' regarding BOEM's discretion to extend the Bid Submission Deadline in the case of an unexpected event (*e.g.,* flooding or travel restrictions) and how bidders can obtain more information on such extensions.

Advance Bonus Bid Deposit Guarantee

Bidders that are not currently an OCS oil and gas lease record title holder or designated operator, or those that ever have defaulted on a one-fifth bonus bid deposit, by Electronic Funds Transfer (EFT) or otherwise, must guarantee (secure) the payment of the one-fifth bonus bid deposit prior to bid submission using one of the following four methods:

- Provide a third-party guarantee;
- amend an areawide development bond via bond rider;
- provide a letter of credit; or
- provide a lump sum payment in advance via EFT.

For more information on EFT procedures, see Section X of this document entitled ''The Lease Sale.''

Affirmative Action

Prior to bidding, each bidder should file Equal Opportunity Affirmative Action Representation Form BOEM–2032 (October 2011) and Equal Opportunity Compliance Report Certification Form BOEM–2033 (October 2011) with the BOEM Gulf of Mexico Region Adjudication Section. This certification is required by 41 CFR part 60 and Executive Order No. 11246, issued September 24, 1965, as amended by Executive Order No. 11375, issued October 13, 1967. Both forms must be on file for the bidder(s) in the GOM Region Adjudication Section prior to the execution of any lease contract.

Geophysical Data and Information Statement

The Geophysical Data and Information Statement (GDIS) is composed of three parts:

(1) The ''Statement'' page includes the company representatives' information and lists of blocks bid on that used proprietary data and those blocks bid on that did not use proprietary data;

(2) the ''Table'' listing the required data about each proprietary survey used (see below); and

(3) the ''Maps'' being the live trace maps for each survey that are identified in the GDIS statement and table.

Every bidder submitting a bid on a block in WPA Sale 246, or participating as a joint bidder in such a bid, must submit at the time of bid submission all three parts of the GDIS. A bidder must submit the GDIS *even if a joint bidder or bidders on a specific block also have submitted a GDIS.* Any speculative data that has been reprocessed externally or ''in-house'' is considered proprietary due to the proprietary processing and is no longer considered to be speculative.

The GDIS must be submitted in a separate and sealed envelope, and identify all proprietary data; reprocessed speculative data, and/or any Controlled Source Electromagnetic surveys, Amplitude Versus Offset, Gravity, or Magnetic data; or other information used as part of the decision to bid or participate in a bid on the block.

The GDIS statement must include the name, phone number, and full address of a contact person and an alternate who are *both knowledgeable about the information and data listed and who are available for 30 days after the sale date.* The GDIS statement also must include entries for all blocks bid upon that did not use proprietary or reprocessed pre- or post-stack geophysical data and information as part of the decision to bid or to participate as a joint bidder in the bid.

The GDIS statement must be submitted even if no proprietary geophysical data and information were used in bid preparation for the block.

The GDIS table should have columns that clearly state the sale number; the bidder company's name; the block area and block number bid on; the owner of the original data set (*i.e.,* who initially acquired the data); the industry's original name of the survey (*e.g.,* E Octopus); the BOEM permit number for the survey; whether the data set is a fast track version; whether the data is speculative or proprietary; the data type (*e.g.,* 2–D, 3–D, or 4–D; pre-stack or post-stack; and time or depth); migration algorithm (*e.g.,* Kirchhoff Migration, Wave Equation Migration, Reverse Migration, Reverse Time Migration) of the data; and areal extent of bidder survey (*i.e.,* number of line miles for 2–D or number of blocks for 3–D). Provide the computer storage size, to the nearest gigabyte, of each seismic data and velocity volume used to evaluate the lease block in question. This will be used in estimating the reproduction costs for each data set, if applicable.

The availability of reimbursement of production costs will be determined consistent with 30 CFR 551.13. The next column should state who reprocessed the data (*e.g.,* external company name or ''in-house'') and when the date of final reprocessing was completed (month and year). If the data was sent to BOEM for bidding in a previous lease sale, list the date the data was processed (month and year) and indicate if Amplitude Versus Offset (AVO) data was used in the evaluation. BOEM reserves the right to query about alternate data sets, to quality check, and to compare the listed and alternative data sets to determine which data set most closely meets the needs of the fair market value determination process. An example of the preferred format of the table may be found in the Final NOS Package, and a blank digital version of the preferred table may be accessed on the WPA Sale 246 Web page at *http://www.boem.gov/Sale-246/.*

The GDIS maps are live trace maps (in .pdf and ArcGIS shape files) that should be submitted for each *proprietary* survey that is identified in the GDIS table. They should illustrate the actual areal extent of the proprietary geophysical data in the survey (see the ''Example of Preferred Format'' in the Final NOS Package for additional information).

Pursuant to 30 CFR 551.12 and 30 CFR 556.32, as a condition of the sale, the BOEM Gulf of Mexico RD requests that all bidders and joint bidders submit the proprietary data identified on their GDIS within 30 days after the lease sale (unless they are notified after the lease sale that BOEM has withdrawn the request). This request only pertains to proprietary data that is not commercially available. Commercially available data is not required to be submitted to BOEM, and reimbursement will not be provided if such data is submitted by a bidder. The BOEM Gulf of Mexico RD will notify bidders and joint bidders of any withdrawal of the request, for all or some of the proprietary data identified on the GDIS, within 15 days of the lease sale. Pursuant to 30 CFR part 551 and as a condition of this sale, all bidders required to submit data must ensure that the data is received by BOEM no later than the 30th day following the lease sale, or the next business day if the submission deadline falls on a weekend or Federal holiday. The data must be submitted to BOEM at the following address: Bureau of Ocean Energy Management, Resource Studies, MS 881A, 1201 Elmwood Park Blvd., New Orleans, LA 70123–2304.

BOEM recommends that bidders mark the submission's external envelope as ''Deliver Immediately to DASPU.'' BOEM also recommends that the data be submitted in an internal envelope, or otherwise marked, with the following designation: ''Proprietary Geophysical Data Submitted Pursuant to Lease Sale 246 and used during <Bidder Name's≥ evaluation of Block <Block Number≥.''

In the event a person supplies any type of data to BOEM, that person must meet the following requirements to qualify for reimbursement:

(1) Persons must be registered with the System for Award Management (SAM), formerly known as the Central Contractor Registration (CCR). CCR usernames will not work in SAM. A new SAM User Account is needed to register or update an entity's records. The Web site for registering is *https://www.sam.gov.*

(2) Persons must be enrolled in the Department of Treasury's Internet Payment Platform (IPP) for electronic invoicing. The person must enroll in the IPP at *https://www.ipp.gov/.* Access then will be granted to use the IPP for submitting requests for payment. When a request for payment is submitted, it must include the assigned Purchase Order Number on the request.

(3) Persons must have a current On-line Representations and Certifications Application at *https://www.sam.gov.*

Please Note: The GDIS Information Table must be submitted digitally, preferably as an Excel spreadsheet, on a CD or DVD along with the seismic data map(s). If bidders have any questions, please contact Ms. Dee Smith at (504) 736–2706, or Mr. John Johnson at (504) 736–2455.

Bidders should refer to Section X of this document, ''The Lease Sale: Acceptance, Rejection, or Return of Bids,'' regarding a bidder's failure to comply with the requirements of the Final NOS, including any failure to submit information as required in this Final NOS or Final NOS Package.

Telephone Numbers/Addresses of Bidders

BOEM requests that bidders provide this information in the suggested format prior to or at the time of bid submission. The suggested format is included in the Final NOS Package. The form must not be enclosed inside the sealed bid envelope.

Additional Documentation

BOEM may require bidders to submit other documents in accordance with 30 CFR 556.46.

VIII. Bidding Rules and Restrictions

Restricted Joint Bidders

On May 18, 2015, BOEM published the most recent List of Restricted Joint Bidders in the **Federal Register** at 80 FR 28299. Potential bidders are advised to refer to the **Federal Register**, prior to bidding, for the most current List of Restricted Joint Bidders in place at the time of the lease sale. Please refer to joint bidding provisions at 30 CFR 556.41 for additional restrictions.

Authorized Signatures

All signatories executing documents on behalf of bidder(s) must execute the same in conformance with the BOEM qualification records. Bidders are advised that BOEM considers the signed bid to be a legally binding obligation on the part of the bidder(s) to comply with all applicable regulations, including payment of one-fifth of the bonus bid on all high bids. A statement to this effect must be included on each bid form (see the document ''Bid Form'' contained in the Final NOS Package).

Unlawful Combination or Intimidation

BOEM warns bidders against violation of 18 U.S.C. 1860, prohibiting unlawful combination or intimidation of bidders.

Bid Withdrawal

Bids may be withdrawn only by written request delivered to BOEM prior to the Bid Submission Deadline. The withdrawal request must be on company letterhead and must contain the bidder's name, its BOEM qualification number, the map name/number, and the block number(s) of the bid(s) to be withdrawn. The withdrawal

request must be executed by an authorized signatory of the bidder and must be executed in conformance with the BOEM qualification records. Signatories must be authorized to bind their respective legal business entities (*e.g.,* a corporation, partnership, or LLC), and documentation must be on file with BOEM setting forth this authority to act on the business entity's behalf for purposes of bidding and lease execution under OCSLA (*e.g.,* business charter or articles, incumbency certificate, or power of attorney). The name and title of the authorized signatory must be typed under the signature block on the withdrawal request. The BOEM Gulf of Mexico RD, or the RD's designee, will indicate any approval by signing and dating the withdrawal request.

Bid Rounding

The bonus bid amount must be stated in whole dollars. Minimum bonus bid calculations, including all rounding, for all blocks are shown in the document entitled ''List of Blocks Available for Leasing,'' which is included in this Final NOS Package. If the acreage of a block contains a decimal figure, then prior to calculating the minimum bonus bid, BOEM has rounded up to the next whole acre. The appropriate minimum rate per acre was then applied to the whole (rounded up) acreage. If this calculation resulted in a fractional dollar amount, the minimum bonus bid was rounded up to the next whole dollar amount. The bonus bid amount must be greater than or equal to the minimum bonus bid in whole dollars.

IX. Forms

The Final NOS Package includes instructions, samples, and/or the preferred format for the following items. BOEM strongly encourages bidders to use these formats; should bidders use another format, they are responsible for including all the information specified for each item in this Final NOS Package.

(1) Bid Form
(2) Sample Completed Bid
(3) Sample Bid Envelope
(4) Sample Bid Mailing Envelope
(5) Telephone Numbers/Addresses of Bidders Form
(6) GDIS Form
(7) GDIS Envelope Form

X. The Lease Sale

Bid Opening and Reading

Sealed bids received in response to the Final NOS will be opened at the place, date, and hour specified in the ''DATE AND TIME'' and ''LOCATION'' sections of this document. The opening of the bids is for the sole purpose of publicly announcing and recording the bids received; no bids will be accepted or rejected at that time.

Bonus Bid Deposit for Apparent High Bids

Each bidder submitting an apparent high bid must submit a bonus bid deposit to the U.S. Department of the Interior's Office of Natural Resources Revenue (ONRR) equal to one-fifth of the bonus bid amount for each such bid. A copy of the notification of the high bidder's one-fifth bonus bid amount may be obtained at the EFT Area outside the Bid Reading Room on the day of the bid opening, or it may be obtained on the BOEM Web site at *http://www.boem.gov/Sale-246/* under the heading ''Notification of EFT 1/5 Bonus Liability.'' All payments must be deposited electronically into an interest-bearing account in the U.S. Treasury by 11:00 a.m. Eastern Time the day following the bid reading (no exceptions). Account information is provided in the ''Instructions for Making Electronic Funds Transfer Bonus Payments'' found on the BOEM Web site identified above.

BOEM requires bidders to use EFT procedures for payment of one-fifth bonus bid deposits for WPA Sale 246, following the detailed instructions contained on the ONRR Payment Information Web page at *http://www.onrr.gov/FM/PayInfo.htm.* Acceptance of a deposit does not constitute and shall not be construed as acceptance of any bid on behalf of the United States.

Withdrawal of Blocks

The United States reserves the right to withdraw any block from this lease sale prior to issuance of a written acceptance of a bid for the block.

Acceptance, Rejection, or Return of Bids

The United States reserves the right to reject any and all bids. No bid will be accepted, and no lease for any block will be awarded to any bidder, unless:

(1) The bidder has complied with all requirements of the Final NOS Package and applicable regulations;

(2) the bid submitted is the highest valid bid; and

(3) the amount of the bid has been determined to be adequate by the authorized officer.

Any bid submitted that does not conform to the requirements of the Final NOS and Final NOS Package, OCSLA, BOEM regulations or other applicable statute or regulation, may be rejected and returned to the bidder. The U.S. Department of Justice and the Federal Trade Commission will review the results of the lease sale for antitrust issues prior to the acceptance of bids and issuance of leases. To ensure that the U.S. Government receives a fair return for the conveyance of leases from this sale, high bids will be evaluated in accordance with BOEM's bid adequacy procedures. A copy of current procedures, ''Modifications to the Bid Adequacy Procedures,'' published at 64 FR 37560 on July 12, 1999, can be obtained from the BOEM Gulf of Mexico Region Public Information Office, or via the BOEM Gulf of Mexico Region Web site at *http://www.boem.gov/Bid-Adequacy-Procedures/.* For Sale 246, the water depth categories are specified as (1) less than 400 meters and (2) 400 meters or greater.

Proposed Changes for Bid Adequacy Review Procedures

BOEM published a notification in the **Federal Register**, at 79 FR 62461–62463 (October 17, 2014), at *http://www.gpo.gov/fdsys/pkg/FR–2014–10–17/pdf/2014–24727.pdf*, proposing the elimination of one of its acceptance rules, the Number of Bids Rule, from its bid adequacy procedures. While BOEM is still in the process of evaluating the proposed change to its acceptance rules, there will be no changes to the bid adequacy procedures for WPA Sale 246. For the existing procedures, see ''Modifications to the Bid Adequacy Procedures,'' *at 64 FR* 37560–37562 (July 12, 1999), at *http://www.boem.gov/Bid-Adequacy-Procedures/.*

Lease Award

BOEM requires each bidder awarded a lease to:

(1) Execute all copies of the lease (Form BOEM–2005 [October 2011], as amended);

(2) pay by EFT the balance of the bonus bid amount and the first year's rental for each lease issued in accordance with the requirements of 30 CFR 218.155 and 556.47(f) (ONRR requests that only one transaction be used for payment of the four-fifths bonus bid amount and the first year's rental); and

(3) satisfy the bonding requirements of 30 CFR part 556, subpart I, as amended.

XI. Delay of Sale

The BOEM Gulf of Mexico RD has the discretion to change any date, time, and/or location specified in the Final NOS Package in case of an event that the BOEM Gulf of Mexico RD deems may interfere with the carrying out of a fair and orderly lease sale process. Such events could include, but are not

limited to, natural disasters (*e.g.,* earthquakes, hurricanes, and floods), wars, riots, acts of terrorism, fires, strikes, civil disorder, or other events of a similar nature. In case of such events, bidders should call (504) 736–0557, or access the BOEM Web site at *http://www.boem.gov,* for information regarding any changes.

Dated: July 8, 2015.

Abigail Ross Hopper,

Director, Bureau of Ocean Energy Management.

[FR Doc. 2015–17632 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[MMAA 104000]

Gulf of Mexico, Outer Continental Shelf, Western Planning Area Oil and Gas Lease Sale 246

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: Notice of Availability of a Record of Decision for Proposed Western Planning Area (WPA) Lease Sale 246, which is analyzed in the *Gulf of Mexico Outer Continental Shelf (OCS) Oil and Gas Lease Sales: 2015–2016; WPA Lease Sales 246 and 248; Final Supplemental Environmental Impact Statement.*

SUMMARY: BOEM has prepared a Record of Decision for proposed oil and gas WPA Lease Sale 246, which is scheduled for August 19, 2015. The proposed lease sale is in the Gulf of Mexico's WPA off the states of Texas and Louisiana. Proposed WPA Lease Sale 246 is the fourth WPA lease sale scheduled in the OCS Oil and Gas Leasing Program for 2012–2017. In making its decision, BOEM considered two alternatives to the proposed action, the potential impacts as presented in the WPA 246 and 248 Supplemental Environmental Impact Statement (EIS), and all comments received throughout the National Environmental Policy Act process. The Western Planning Area 246 and 248 Supplemental EIS evaluated the environmental and socioeconomic impacts for proposed Western Planning Area Lease Sale 246.

SUPPLEMENTARY INFORMATION: In the WPA 246 and 248 Supplemental EIS, the Bureau of Ocean Energy Management (BOEM) evaluated three alternatives that are summarized below:

Alternative A—The Proposed Action: This is BOEM's preferred alternative. This alternative would offer for lease all unleased blocks within the proposed WPA lease sale area for oil and gas operations with the following exception: Whole and partial blocks within the boundary of the Flower Garden Banks National Marine Sanctuary.

All unleased whole and partial blocks in the WPA that BOEM will offer for leasing in proposed WPA Lease Sale 246 are listed in the document ''List of Blocks Available for Leasing,'' which is included in the Final Notice of Sale 246 Package. The proposed WPA lease sale area encompasses nearly all of the WPA's 28.58 million acres. As of February 2015, approximately 21.9 million acres of the proposed WPA lease sale area were unleased. The estimated amount of resources projected to be developed as a result of this proposal is 0.116–0.200 billion barrels of oil (BBO) and 0.538–0.938 trillion cubic feet (Tcf) of gas.

Alternative B—Exclude the Unleased Blocks Near the Biologically Sensitive Topographic Features: This alternative would offer for lease all unleased blocks within the proposed WPA lease sale area, as described for the proposed action (Alternative A), but it would exclude from leasing any unleased blocks subject to the Topographic Features Stipulation. The estimated amount of resources projected to be developed under this alternative is 0.116–0.200 BBO and 0.538–0.938 Tcf of gas, which is the same as is estimated for Alternative A. The number of blocks that would not be offered under Alternative B represent only a small percentage of the total number of blocks to be offered under Alternative A; therefore, it is expected that the levels of oil and gas activity and related environmental impact for Alternative B would be essentially the same as those projected for a WPA proposed action.

Alternative C—No Action: This alternative is the cancellation of proposed WPA Lease Sale 246 and is identified as the environmentally preferable alternative.

After careful consideration, BOEM has selected the proposed action, identified as BOEM's preferred alternative (Alternative A) in the WPA 246 and 248 Supplemental EIS. BOEM's selection of the preferred alternative meets the purpose and need for the proposed action, as identified in the WPA 246 and 248 Supplemental EIS, and will result in orderly resource development with protection of the human, marine, and coastal environments, while also ensuring that the public receives an equitable return for these resources.

Record of Decision (ROD) Availability: To obtain a single printed or CD copy of the ROD for proposed WPA Lease Sale 246, you may contact BOEM, Gulf of Mexico OCS Region, Public Information Office (GM 323A), 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394 (1–800–200–GULF). An electronic copy of the ROD is available on BOEM's Web site at *http://www.boem.gov/nepaprocess/.*

Additional Information: For more information on the ROD, you may contact Mr. Gary D. Goeke, Bureau of Ocean Energy Management, Gulf of Mexico OCS Region, 1201 Elmwood Park Boulevard (GM 623E), New Orleans, Louisiana 70123–2394. You may also contact Mr. Goeke by telephone at 504–736–3233.

Authority: This Notice of Availability is published pursuant to the regulations (40 CFR part 1503) implementing the provisions of the National Environmental Policy Act of 1969, as amended (42 U.S.C. §§ 4321 *et seq.*).

Dated: July 8, 2015.

Abigail Ross Hopper,

Director, Bureau of Ocean Energy Management.

[FR Doc. 2015–17606 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

[Docket ID: OSM–2010–0021; S1D1 SS08011000SX064A000156S180110; S2D2 SS08011000SX064A00015X501520]

Stream Protection Rule; Draft Environmental Impact Statement

AGENCY: Office of Surface Mining Reclamation and Enforcement, Department of the Interior.

ACTION: Notice of Availability; Draft Environmental Impact Statement.

SUMMARY: We, the Office of Surface Mining Reclamation and Enforcement (OSMRE), are announcing that the Draft Environmental Impact Statement (DEIS) for the proposed stream protection rule is available for public review and comment.

DATES: *Electronic or written comments: We will accept electronic or written comments on or before September 15, 2015.*

ADDRESSES: You may submit comments by any of the following methods:

Federal eRulemaking Portal: http://www.regulations.gov. The Docket ID for the DEIS is OSM–2010–0021. Please follow the online instructions for submitting comments.

Mail/Hand-Delivery/Courier: Office of Surface Mining Reclamation and

Enforcement, Administrative Record, Room 252 SIB, 1951 Constitution Avenue NW., Washington, DC 20240. Please include the appropriate Docket ID: OSM–2010–0021 for the DEIS.

You may review the proposed rule, the draft environmental impact statement, and the draft regulatory impact analysis online at *www.osmre.gov.* You also may review these documents in person at the location listed below and at the addresses listed under **SUPPLEMENTARY INFORMATION**.

Office of Surface Mining Reclamation and Enforcement, Administrative Record, Room 101 SIB, 1951 Constitution Avenue NW., Washington, DC 20240, 202–208–4264

FOR FURTHER INFORMATION CONTACT: Robin Ferguson, Office of Surface Mining Reclamation and Enforcement, U.S. Department of the Interior, 1951 Constitution Avenue NW., Washington DC 20240. Telephone: 202–208–2802. Email: *rferguson@osmre.gov*.

SUPPLEMENTARY INFORMATION:

Background

The DEIS evaluates the direct, indirect, and cumulative environmental impacts of the proposed stream protection rule and its alternatives. Significant advances in scientific knowledge and mining and reclamation techniques have occurred in the more than 30 years that have elapsed since the enactment of the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. 1201 *et seq.,* and the adoption of federal regulations implementing that law. The primary purpose of the proposed stream protection rule is to update our regulations and provide regulatory certainty to industry using these advances in scientific knowledge to minimize the adverse impacts of surface coal mining operations on surface water, groundwater, fish, wildlife, and related environmental values, with particular emphasis on protecting or restoring streams and aquatic ecosystems.

How do I comment on the DEIS?

In accordance with 43 CFR 46.435(a) and 40 CFR 1503.1(a)(4), we invite the public to provide written comments on the DEIS during the 60-day comment period. Please see **ADDRESSES** and **DATES** for more information. We will review and consider all comments submitted to *www.regulations.gov* or to the office listed under **ADDRESSES** by the close of the comment period (see **DATES**). We cannot ensure that comments received after the close of the comment period or at a location other than the office and Web site listed under **ADDRESSES** will be included in the docket for this DEIS or considered in the development of a final EIS.

Please include the Docket ID ''OSM–2010–0021'' at the beginning of all comments on the DEIS. Your comments should refer to a specific portion of the DEIS (citation to the chapter, section, page, paragraph, and sentence to which your comment applies would be helpful), be confined to issues pertinent to the DEIS, explain the reason for any recommended change or objection, and include supporting data when appropriate. Before including your address, phone number, or other personally identifiable information in your comment, you should be aware that your entire comment—including your personally identifiable information—may be made publicly available at any time. While you may ask us in your comment to withhold your personally identifiable information from public review, we cannot guarantee that we will be able to do so.

You may review the proposed rule, the draft environmental impact statement, and the draft regulatory impact analysis online at the Web sites listed in **ADDRESSES** or in person at the headquarters office location listed in **ADDRESSES** and at the following OSMRE regional, field, and area office locations:

Appalachian Regional Office, Three Parkway Center, Pittsburgh, Pennsylvania 15220, Phone: (412) 937–2828

Mid-Continent Regional Office, William L. Beatty Federal Building, 501 Belle Street, Room 216, Alton, Illinois 62002, Phone: (618) 463–6460

Western Regional Office, 1999 Broadway, Suite 3320, Denver, Colorado 80201, Phone: (303) 844–1401

Charleston Field Office, 1027 Virginia Street, East, Charleston, West Virginia 25301, Phone: (304) 347–7158

Knoxville Field Office, 710 Locust Street, 2nd floor, Knoxville, Tennessee 37902, Phone: (865) 545–4103

Lexington Field Office, 2675 Regency Road, Lexington, Kentucky 40503, Phone: (859) 260–3900

Beckley Area Office, 313 Harper Park Drive, Beckley, West Virginia 25801, Phone: (304) 255–5265

Harrisburg Area Office, 215 Limekiln Road, New Cumberland, Pennsylvania 17070, Phone: (717) 730–6985

Albuquerque Area Office, 100 Sun Avenue NE., Pan American Building, Suite 330, Albuquerque, New Mexico 87109, Phone: (505) 761–8989

Casper Area Office, Dick Cheney Federal Building, 150 East B Street, Casper, Wyoming 82601, Phone: (307) 261–6550

Birmingham Field Office, 135 Gemini Circle, Suite 215, Homewood, Alabama 35209, Phone: (205) 290–7282

Tulsa Field Office, 1645 South 101st East Avenue, Suite 145, Tulsa, Oklahoma 74128, Phone: (918) 581–6430

In addition, a limited number of CD copies of the DEIS are available upon request. You may obtain a CD by contacting the person identified in **FOR FURTHER INFORMATION CONTACT**.

If you would like to be placed on the mailing list to receive future information on the EIS, please contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Public Hearings

We will hold a public hearing on the proposed rule and the draft environmental impact statement in the following cities: Charleston, West Virginia; Denver, Colorado; Lexington, Kentucky; Pittsburgh, Pennsylvania; and St. Louis, Missouri. OSMRE representatives will provide information on the proposed rule at each hearing. A court reporter will be available at each hearing to record your comments if you wish to provide input in this fashion. The docket for this rulemaking will include a written summary of each hearing and the transcript provided by the court reporter.

We will announce arrangements, specific locations, dates, and times for each hearing in a **Federal Register** notice published at least 7 days before each hearing. If you are a disabled individual who needs reasonable accommodation to attend a public hearing, please contact the person listed under **FOR FURTHER INFORMATION CONTACT** after we publish notice of the specific hearing locations and dates.

Dated: July 7, 2015.

Sterling Rideout,

Assistant Director, Program Support.

Authority: 40 CFR 1506.6, 40 CFR 1506.1.

[FR Doc. 2015–17307 Filed 7–16–15; 8:45 am]

BILLING CODE 4310–05–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–942]

Certain Wireless Devices, Including Mobile Phones and Tablets III; Commission Determination To Affirm an Initial Determination Terminating the Investigation Based on a Settlement Agreement

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to affirm the presiding administrative law judge's initial determination (''ID'') (Order No. 9) terminating the above-captioned investigation based on a settlement agreement.

FOR FURTHER INFORMATION CONTACT: Cathy Chen, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2392. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000. General information concerning the Commission may also be obtained by accessing its Internet server at *http://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.* Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on December 30, 2014, based on a complaint filed by Pragmatus Mobile, LLC of Alexandria, Virginia (''Pragmatus''). 79 FR 78478 (Dec. 30, 2014). The complaint alleged violations of Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337, in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain wireless devices, including mobile phones and tablets, by reason of infringement of certain claims of U.S. Patent No. 8,466,795. The notice of investigation named ASUSTek Computer, Inc. of Taipei, Taiwan; ASUS Computer International, Inc. of Fremont, California; and ASUS Technology Pte. Ltd. of Singapore (collectively ''ASUS'') as respondents. The Office of Unfair Import Investigations is not a party to this investigation.

On May 13, 2015, Pragmatus and ASUS jointly filed a motion to terminate the investigation based on a settlement agreement. Pragmatus and ASUS filed public and confidential versions of the motion to terminate and the settlement agreement.

On May 14, 2015, the ALJ issued the subject ID granting the motion to terminate. The ID stated that the settlement agreement fully resolves all claims that Pragmatus has asserted against ASUS in this investigation. The ALJ found that termination of this investigation is in the public interest.

On June 15, 2015, the Commission determined to review the ID because the public version of the settlement agreement did not comply with Commission Rules 210.21(b)(1) and 201.6. The Commission requested the parties to file a revised public version of their settlement agreement.

On June 29, 2015, the parties submitted a revised public version of their settlement agreement that complies with the Commission rules. Accordingly, the Commission has determined to terminate the investigation in its entirety.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: July 13, 2015.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2015–17539 Filed 7–16–15; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—UHD Alliance, Inc.

Notice is hereby given that, on June 17, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), UHD Alliance, Inc. (''UHD Alliance'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties to the venture and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Pursuant to section 6(b) of the Act, the identities of the parties to the venture are: The DIRECTV Group, Inc., El Segundo, CA; Walt Disney Pictures, Burbank, CA; Dolby Laboratories Inc., San Francisco, CA; Twentieth Century Fox Film Corporation, Beverly Hills, CA; Netflix, Inc., Los Gatos, CA; Panasonic Corporation, Osaka, JAPAN; Samsung Electronics Co., Ltd., Gyeonggi-do, REPUBLIC OF KOREA; Sony Corporation, Tokyo, JAPAN; Technicolor SA, Cedex, FRANCE; Warner Bros. Entertainment Inc., Burbank, CA; LG Electronics Inc., Seoul, REPUBLIC OF KOREA; DTS, Inc., Calabasas, CA; Universal Pictures, a division of Universal City Studios LLC, Universal City, CA; Mstar Semiconductor, Inc., ChuPei, HsinChu Hsein, TAIWAN; NVIDIA Corporation, Santa Clara, CA; ARRI, Inc., Burbank, CA; Nanosys Inc., Milpitas, CA; MediaTek Inc., Hsinchu, TAIWAN; TP Vision Europe B.V., Amsterdam, NETHERLANDS; Amazon.com, Seattle, WA; Toshiba Lifestyle Products & Services Corporation, Tokyo, JAPAN; Realtek Semiconductor Corp., Hsinchu Hsein, TAIWAN; and Intel Corporation, Folsom, CA. The general area of UHD Alliance's planned activity is to create a framework to enable the global industries interested in premium next generation content related technologies, such as Ultra High Definition, High Dynamic Range, Wide Color Gamut, High Frame Rate and Next Gen Audio (''Premium Next Gen Content'') to (a) specify and develop requirements for the premium quality Premium Next Gen Content, related devices, distribution and other elements of a UHD Alliance-based ecosystem (''Specifications''); (b) promote the global development and adoption of Specifications and Specification-compliant products (*i.e.,* content, devices and services); (c) provide clear definitions, industry guidelines and best practices on emerging technologies and collaborate with other standards development organizations; (d) develop and administer Premium Next Gen Content testing methodologies and certification programs based on the Specifications; (e) establish a logo program for Specification certified products (*i.e.,* content devices and services); and (f)

promote the UHD Alliance brand and ecosystem to consumers.

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17544 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Advanced Media Workflow Association, Inc.

Notice is hereby given that, on June 19, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Advanced Media Workflow Association, Inc. has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, KMH Audio Visual Integration, Brooklyn, NY; Univision, Miami, FL; and Brooks Harris (individual member), New York, NY, have been added as parties to this venture.

Also, Levels Beyond, Inc., Denver, CO, has withdrawn as a party to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Advanced Media Workflow Association, Inc. intends to file additional written notifications disclosing all changes in membership.

On March 28, 2000, Advanced Media Workflow Association, Inc. filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on June 29, 2000 (65 FR 40127).

The last notification was filed with the Department on March 31, 2015. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on May 7, 2015 (80 FR 26298).

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17546 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Open Platform for NFV Project, Inc.

Notice is hereby given that, on June 22, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Open Platform for NFV Project, Inc. (''Open Platform for NFV Project'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Altera Corporation, San Jose, CA; Brain4Net, Inc., Cambridge, MA; EMC Corporation, Santa Clara, CA; and VMware, Inc., Palo Alto, CA, have been added as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and Open Platform for NFV Project intends to file additional written notifications disclosing all changes in membership.

On October 17, 2014, Open Platform for NFV Project filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on November 14, 2014 (79 FR 68301).

The last notification was filed with the Department on April 2, 2015. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 30, 2015 (80 FR 24279).

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17547 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–11–P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Sematech, Inc. d/b/a International Sematech

Notice is hereby given that, on June 23, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Sematech, Inc. d/b/a International Sematech (''SEMATECH'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Ebara Corporation, Tokyo, JAPAN; Freescale Semiconductor, Inc., Austin, TX; and Exogenesis Corporation, Bellerica, MA, have been added as parties to this venture.

Also, United Microelectronics Corporation (UMC), Hsinchu, TAIWAN; Renesas Electronics Corporation, Santa Clara, CA; Qualcomm Technologies, Inc., San Diego, CA; Particle Measuring Systems, Boulder, CO; JSR Corporation, Tokyo, JAPAN; Seagate Technologies, LLC, Cupertino, CA; Invensas, San Jose, CA; ON Semiconductor, Phoenix, AZ; LSI Corporation, Milpitas, CA; and Silvaco, Inc., Santa Clara, CA, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and SEMATECH intends to file additional written notifications disclosing all changes in membership.

On April 22, 1988, SEMATECH filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on May 19, 1988 (53 FR 17987).

The last notification was filed with the Department on March 31, 2015. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 30, 2015 (80 FR 24277).

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17548 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993; Network Centric Operations Industry Consortium, Inc.

Notice is hereby given that, on June 17, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Network Centric

Operations Industry Consortium, Inc. (''NCOIC'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, Military Communication Institute, Zegrze, Mazowieckie, POLAND; and Real-Time Innovation, Sunnyvale, CA, have withdrawn as parties to this venture.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and NCOIC intends to file additional written notifications disclosing all changes in membership.

On November 19, 2004, NCOIC filed its original notification pursuant to section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to section 6(b) of the Act on February 2, 2005 (70 FR 5486).

The last notification was filed with the Department on March 25, 2015. A notice was published in the **Federal Register** pursuant to section 6(b) of the Act on April 22, 2015 (80 FR 22550).

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17543 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—UHD Alliance, Inc., in Its Capacity as a Standards Development Organization

Notice is hereby given that, on June 17, 2015, pursuant to section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), UHD Alliance, Inc., in its capacity as a Standards Development Organization (''UHD Alliance SDO'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the name and principal place of business of the standards development organization and (2) the nature and scope of its standards development activities. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances.

Pursuant to section 6(b) of the Act, the name and principal place of business of the standards development organization is: UHD Alliance, Inc., Fremont, CA. The nature and scope of UHD Alliance SDO's standards development activities are as follows: UHD Alliance SDO is organized and will be operated primarily to create a framework to enable the global industries interested in premium next generation content related technologies, such as Ultra High Definition, High Dynamic Range, Wide Color Gamut, High Frame Rate and Next Gen Audio (''Premium Next Gen Content'') to (a) specify and develop requirements for the premium quality Premium Next Gen Content, related devices, distribution and other elements of a UHD Alliance-based ecosystem (''Specifications''); (b) promote the global development and adoption of Specifications and Specification-compliant products (*i.e.,* content, devices, and services); (c) provide clear definitions, industry guidelines and best practices on emerging technologies and collaborate with other standards development organizations; (d) develop and administer Premium Next Gen Content testing methodologies and certification programs based on the Specifications; (e) establish a logo program for Specification certified products (*i.e.,* content, devices and services); and (f) promote the UHD Alliance brand and ecosystem to consumers.

Patricia A. Brink,

Director of Civil Enforcement, Antitrust Division.

[FR Doc. 2015–17545 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Manufacturer of Controlled Substances Registration: Siegfried USA, LLC

ACTION: Notice of registration.

SUMMARY: Siegfried USA, LLC applied to be registered as a manufacturer of certain basic classes of controlled substances. The Drug Enforcement Administration (DEA) grants Siegfried USA, LLC registration as a manufacturer of those controlled substances.

SUPPLEMENTARY INFORMATION: By notice dated February 5, 2015, and published in the **Federal Register** on February 11, 2015, 80 FR 7634, Siegfried USA, LLC, 33 Industrial Park Road, Pennsville, New Jersey 08070 applied to be registered as a manufacturer of certain basic classes of controlled substances. No comments or objections were submitted to this notice.

The DEA has considered the factors in 21 U.S.C. 823(a) and determined that the registration of Siegfried USA, LLC to manufacture the basic classes of controlled substances is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on May 1, 1971. The DEA investigated the company's maintenance of effective controls against diversion by inspecting and testing the company's physical security systems, verifying the company's compliance with state and local laws, and reviewing the company's background and history.

Therefore, pursuant to 21 U.S.C. 823(a), and in accordance with 21 CFR 1301.33, the above-named company is granted registration as a bulk manufacturer of the following basic classes of controlled substances:

Controlled substance	Schedule
Gamma Hydroxybutyric Acid (2010).	I
Dihydromorphine (9145)	I
Hydromorphinol (9301)	I
Methylphenidate (1724)	II
Amobarbital (2125)	II
Pentobarbital (2270)	II
Secobarbital (2315)	II
Codeine (9050)	II
Oxycodone (9143)	II
Hydromorphone (9150)	II
Hydrocodone (9193)	II
Methadone (9250)	II
Methadone intermediate (9254)	II
Dextropropoxyphene, bulk (non-dosage forms) (9273).	II
Morphine (9300)	II
Oripavine (9330)	II
Thebaine (9333)	II
Opium tincture (9630)	II
Oxymorphone (9652)	II

The company plans to manufacture the listed controlled substances in bulk for distribution to its customers.

Dated: July 10, 2015.

Joseph T. Rannazzisi,

Deputy Assistant Administrator.

[FR Doc. 2015–17520 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–420N]

Proposed Aggregate Production Quotas for Schedule I and II Controlled Substances and Assessment of Annual Needs for the List I Chemicals Ephedrine, Pseudoephedrine, and Phenylpropanolamine for 2016

AGENCY: Drug Enforcement Administration, Department of Justice.

ACTION: Notice with request for comments.

SUMMARY: The Drug Enforcement Administration proposes to establish the 2016 aggregate production quotas for controlled substances in schedules I and II of the Controlled Substances Act and assessment of annual needs for the list I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine.

DATES: Interested persons may file written comments on or objections to this notice in accordance with 21 CFR 1303.11(c) and 1315.11(d). Electronic comments must be submitted, and written comments must be postmarked, on or before August 17, 2015. Commenters should be aware that the electronic Federal Docket Management System will not accept comments after 11:59 p.m. Eastern Time on the last day of the comment period.

The Administrator may hold a public hearing on one or more issues raised by the comments received in response to this notice. In the event the Administrator decides in his sole discretion to hold such a hearing, the Administrator will publish a notice of any such hearing in the **Federal Register**. After consideration of any comments and after a hearing, if one is held, the Administrator will publish in the **Federal Register** a final order establishing the 2016 aggregate production quotas for schedule I and II controlled substances, and an assessment of annual needs for the list I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine.

ADDRESSES: To ensure proper handling of comments, please reference ''Docket No. DEA–420N'' on all correspondence, including any attachments. The Drug Enforcement Administration encourages that all comments be submitted electronically through the Federal eRulemaking Portal which provides the ability to type short comments directly into the comment field on the Web page or attach a file for lengthier comments. Please go to *http://www.regulations.gov* and follow the online instructions at that site for submitting comments. Upon completion of your submission you will receive a Comment Tracking Number for your comment. Please be aware that submitted comments are not instantaneously available for public view on Regulations.gov. If you have received a Comment Tracking Number, your comment has been successfully submitted and there is no need to resubmit the same comment. Paper comments that duplicate electronic submissions are not necessary and are discouraged. Should you wish to mail a paper comment *in lieu* of an electronic comment, it should be sent via regular or express mail to: Drug Enforcement Administration, Attention: DEA **Federal Register** Representative/ODL, 8701 Morrissette Drive, Springfield, Virginia 22152.

FOR FURTHER INFORMATION CONTACT: John R. Scherbenske, Office of Diversion Control, Drug Enforcement Administration; Mailing Address: 8701 Morrissette Drive, Springfield, Virginia 22152, Telephone: (202) 598–6812.

SUPPLEMENTARY INFORMATION:

Posting of Public Comments

Please note that all comments received in response to this docket are considered part of the public record. They will, unless reasonable cause is given, be made available for public inspection online at *http://www.regulations.gov.* Such information includes personal identifying information (such as your name, address, etc.) voluntarily submitted by the commenter. The Freedom of Information Act applies to all comments received. If you want to submit personal identifying information (such as your name, address, etc.) as part of your comment, but do not want it to be posted online or made available in the public docket, you must include the phrase ''PERSONAL IDENTIFYING INFORMATION'' in the first paragraph of your comment. You must also place all the personal identifying information you do not want publicly available in the first paragraph of your comment and identify what information you want redacted.

If you want to submit confidential business information as part of your comment, but do not want it to be made publicly available, you must include the phrase ''CONFIDENTIAL BUSINESS INFORMATION'' in the first paragraph of your comment. You must also prominently identify confidential business information to be redacted within the comment.

Comments containing personal identifying information or confidential business information identified and located as directed above will generally be made available in redacted form. If a comment contains so much personal identifying information or confidential business information that it cannot be effectively redacted, all or part of that comment may not be made publicly available. Comments posted to *http://www.regulations.gov* may include any personal identifying information (such as name, address, and phone number) included in the text of your electronic submission that is not identified as directed above as personal.

An electronic copy of this document is available at *http://www.regulations.gov* for easy reference.

Legal Authority

The Drug Enforcement Administration (DEA) implements and enforces titles II and III of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended. 21 U.S.C. 801–971. Titles II and III are referred to as the ''Controlled Substances Act'' and the ''Controlled Substances Import and Export Act,'' respectively, and are collectively referred to as the ''Controlled Substances Act'' or the ''CSA'' for the purpose of this action. The DEA publishes the implementing regulations for these statutes in title 21 of the Code of Federal Regulations (CFR), chapter II. The CSA and its implementing regulations are designed to prevent, detect, and eliminate the diversion of controlled substances and listed chemicals into the illicit market while ensuring an adequate supply is available for the legitimate medical, scientific, research, and industrial needs of the United States. Controlled substances have the potential for abuse and dependence and are controlled to protect the public health and safety.

Section 306 of the CSA (21 U.S.C. 826) requires the Attorney General to establish aggregate production quotas for each basic class of controlled substance listed in schedules I and II and to establish the assessment of annual needs for the list I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine. The Attorney General has delegated this function to the Administrator of the DEA pursuant to 28 CFR 0.100.

Analysis for Proposed 2016 Aggregate Production Quotas and Assessment of Annual Needs

The proposed year 2016 aggregate production quotas and assessment of annual needs represent those quantities

of schedule I and II controlled substances, and the list I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine, to be manufactured in the United States in 2016 to provide for the estimated medical, scientific, research, and industrial needs of the United States, lawful export requirements, and the establishment and maintenance of reserve stocks. These proposals include estimated imports of ephedrine, pseudoephedrine, and phenylpropanolamine but do not include estimated imports of controlled substances for use in industrial processes.

In determining the proposed 2016 aggregate production quotas and assessment of annual needs, the Administrator has taken into account the criteria that is required to be considered in accordance with 21 U.S.C. 826(a), 21 CFR 1303.11 (aggregate production quotas for controlled substances), and 21 CFR 1315.11 (assessment of annual needs for ephedrine, pseudoephedrine, and phenylpropanolamine). The Administrator estimates the aggregate production quotas and assessment of annual needs for 2016 by considering the following factors: (1) Total net disposal of each class or chemical by all manufacturers and chemical importers during the current and two preceding years; (2) trends in the national rate of net disposal of the class or chemical; (3) total actual (or estimated) inventories of the class or chemical and of all substances manufactured from the class or chemical, and trends in inventory accumulation; (4) projected demand for each class or chemical as indicated by procurement and chemical import quotas requested in accordance with 21 CFR 1303.12, 1315.32, and 1315.34; and (5) other factors affecting the medical, scientific, research, and industrial needs of the United States, lawful export requirements, and reserve stocks, as the Administrator finds relevant.

Other factors the Administrator considered in calculating the aggregate production quotas, but not the assessment of annual needs, include product development requirements of both bulk and finished dosage form manufacturers, and other pertinent information. In determining the proposed 2016 assessment of annual needs, the DEA used the calculation methodology previously described in the 2010 and 2011 assessments of annual needs (74 FR 60294, Nov. 20, 2009, and 75 FR 79407, Dec. 20, 2010, respectively).

The Administrator also specifically considered that inventory allowances granted to individual manufacturers may not always result in the availability of sufficient quantities to maintain an adequate reserve stock pursuant to 21 U.S.C. 826(a), as intended. *See* 21 CFR 1303.24. This would be of concern if a natural disaster or other unforeseen event resulted in substantial disruption to the amount of controlled substances available to provide for legitimate public need. As such, the Administrator proposes to include in all schedule II aggregate production quotas, and certain schedule I aggregate production quotas (difenoxin, gamma-hydroxybutyric acid, and tetrahydrocannabinols), an additional 25% of the estimated medical, scientific, and research needs as part of the amount necessary to ensure the establishment and maintenance of reserve stocks. The proposed aggregate production quotas reflect these included amounts. This action will not affect the ability of manufacturers to maintain inventory allowances as specified by regulation. The Administrator expects that maintaining this reserve in certain established aggregate production quotas will mitigate adverse public effects if an unforeseen event results in substantial disruption to the amount of controlled substances available to provide for legitimate public need, as determined by the Administrator. The Administrator does not anticipate utilizing the reserve in the absence of these circumstances.

The Administrator, therefore, proposes to establish the 2016 aggregate production quotas for the following basic classes of schedule I and II controlled substances and assessment of annual needs for the list I chemicals ephedrine, pseudoephedrine, and phenylpropanolamine, expressed in grams of anhydrous acid or base, as follows:

Basic class	Proposed 2016 quotas (g)
Schedule I	
(1-Pentyl-1*H*-indol-3-yl)(2,2,3,3-tetramethylcyclopropyl)methanone (UR-144)	25
[1-(5-Fluoro-pentyl)-1*H*-indol-3-yl](2,2,3,3-tetramethylcyclopropyl)methanone (XLR11)	25
[1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-yl)methanone (THJ-2201)	15
1-(1,3-Benzodioxol-5-yl)-2-(methylamino)butan-1-one (butylone)	25
1-(1,3-Benzodioxol-5-yl)-2-(methylamino)pentan-1-one (pentylone)	25
1-(1-Phenylcyclohexyl)pyrrolidine	10
1-(5-Fluoropentyl)-3-(1-naphthoyl)indole (AM2201)	45
1-(5-Fluoropentyl)-3-(2-iodobenzoyl)indole (AM694)	45
1-[1-(2-Thienyl)cyclohexyl]piperidine	15
1-[2-(4-Morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200)	45
1-Butyl-3-(1-naphthoyl)indole (JWH-073)	45
1-Cyclohexylethyl-3-(2-methoxyphenylacetyl)indole (SR-18 and RCS-8)	45
1-Hexyl-3-(1-naphthoyl)indole (JWH-019)	45
1-Methyl-4-phenyl-4-propionoxypiperidine	2
1-Pentyl-3-(1-naphthoyl)indole (JWH-018 and AM678)	45
1-Pentyl-3-(2-chlorophenylacetyl)indole (JWH-203)	45
1-Pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250)	45
1-Pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398)	45
1-Pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122)	45
1-Pentyl-3-[(4-methoxy)-benzoyl]indole (SR-19, RCS-4)	45
1-Pentyl-3-[1-(4-methoxynaphthoyl)]indole (JWH-081)	45
2-(2,5-Dimethoxy-4-*n*-propylphenyl)ethanamine (2C-P)	30
2-(2,5-Dimethoxy-4-ethylphenyl)ethanamine (2C-E)	30
2-(2,5-Dimethoxy-4-methylphenyl)ethanamine (2C-D)	30
2-(2,5-Dimethoxy-4-nitro-phenyl)ethanamine (2C-N)	30
2-(2,5-Dimethoxyphenyl)ethanamine (2C-H)	30

Basic class	Proposed 2016 quotas (g)
2-(4-Bromo-2,5-dimethoxyphenyl)-*N*-(2-methoxybenzyl)ethanamine (25B-NBOMe; 2C-B-NBOMe; 25B; Cimbi-36)	25
2-(4-Chloro-2,5-dimethoxyphenyl)ethanamine (2C-C)	30
2-(4-Chloro-2,5-dimethoxyphenyl)-*N*-(2-methoxybenzyl)ethanamine (25C-NBOMe; 2C-C-NBOMe; 25C; Cimbi-82)	25
2-(4-Iodo-2,5-dimethoxyphenyl)ethanamine (2C-I)	30
2-(4-Iodo-2,5-dimethoxyphenyl)-*N*-(2-methoxybenzyl)ethanamine (25I-NBOMe; 2C-I-NBOMe; 25I; Cimbi-5)	15
2-(Methylamino)-1-phenylpentan-1-one (pentedrone)	25
2,5-Dimethoxy-4-ethylamphetamine (DOET)	25
2,5-Dimethoxy-4-*n*-propylthiophenethylamine	25
2,5-Dimethoxyamphetamine	25
2-[4-(Ethylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-2)	30
2-[4-(Isopropylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-4)	30
3,4,5-Trimethoxyamphetamine	25
3,4-Methylenedioxyamphetamine (MDA)	55
3,4-Methylenedioxymethamphetamine (MDMA)	50
3,4-Methylenedioxy-*N*-ethylamphetamine (MDEA)	40
3,4-Methylenedioxy-*N*-methylcathinone (methylone)	50
3,4-Methylenedioxypyrovalerone (MDPV)	35
3-Fluoro-*N*-methylcathinone (3-FMC)	25
3-Methylfentanyl	2
3-Methylthiofentanyl	2
4-Bromo-2,5-dimethoxyamphetamine (DOB)	25
4-Bromo-2,5-dimethoxyphenethylamine (2-CB)	25
4-Fluoro-*N*-methylcathinone (4-FMC)	25
4-Methoxyamphetamine	150
4-Methyl-2,5-dimethoxyamphetamine (DOM)	25
4-Methylaminorex	25
4-Methyl-*N*-ethylcathinone (4-MEC)	25
4-Methyl-*N*-methylcathinone (mephedrone)	45
4-Methyl-α-pyrrolidinopropiophenone (4-MePPP)	25
5-(1,1-Dimethylheptyl)-2-[(1*R*,3*S*)-3-hydroxycyclohexyl]-phenol	68
5-(1,1-Dimethyloctyl)-2-[(1*R*,3*S*)-3-hydroxycyclohexyl]-phenol (cannabicyclohexanol or CP-47,497 C8-homolog)	53
5-Methoxy-3,4-methylenedioxyamphetamine	25
5-Methoxy-*N,N*-diisopropyltryptamine	25
5-Methoxy-*N,N*-dimethyltryptamine	25
Acetyl-*alpha*-methylfentanyl	2
Acetyldihydrocodeine	2
Acetylmethadol	2
Allylprodine	2
Alphacetylmethadol	2
alpha-Ethyltryptamine	25
Alphameprodine	2
Alphamethadol	2
alpha-Methylfentanyl	2
alpha-Methylthiofentanyl	2
alpha-Methyltryptamine (AMT)	25
alpha-Pyrrolidinobutiophenone (α-PBP)	25
alpha-Pyrrolidinopentiophenone (α-PVP)	25
Aminorex	25
Benzylmorphine	2
Betacetylmethadol	2
beta-Hydroxy-3-methylfentanyl	2
beta-Hydroxyfentanyl	2
Betameprodine	2
Betamethadol	4
Betaprodine	2
Bufotenine	3
Cathinone	70
Codeine methylbromide	5
Codeine-*N*-oxide	305
Desomorphine	25
Diethyltryptamine	25
Difenoxin	11,000
Dihydromorphine	3,000,000
Dimethyltryptamine	35
Dipipanone	5
Fenethylline	5
gamma-Hydroxybutyric acid	70,250,000
Heroin	50
Hydromorphinol	2
Hydroxypethidine	2
Ibogaine	5
Lysergic acid diethylamide (LSD)	40

Basic class	Proposed 2016 quotas (g)
Marihuana	200,000
Mescaline	25
Methaqualone	10
Methcathinone	25
Methyldesorphine	5
Methyldihydromorphine	2
Morphine methylbromide	5
Morphine methylsulfonate	5
Morphine-*N*-oxide	350
N-(1-Adamantyl)-1-pentyl-1*H*-indazole-3-carboxamide (AKB48)	25
N-(1-Amino-3,3-dimethyl-1-oxobutan-2-yl)-1-pentyl-1*H*-indazole-3-carboxamide (ADB-PINACA)	25
N-(1-Amino-3-methyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)-1*H*-indazole-3-carboxamide (AB-FUBINACA)	25
N-(1-Amino-3-methyl-1-oxobutan-2-yl)-1-(cyclohexylmethyl)-1*H*-indazole-3-carboxamide (AB-CHMINACA)	15
N-(1-Amino-3-methyl-1-oxobutan-2-yl)-1-pentyl-1*H*-indazole-3-carboxamide (AB-PINACA)	15
N,N-Dimethylamphetamine	25
Naphthylpyrovalerone (naphyrone)	25
N-Benzylpiperazine	25
N-Ethyl-1-phenylcyclohexylamine	5
N-Ethylamphetamine	24
N-Hydroxy-3,4-methylenedioxyamphetamine	24
Noracymethadol	2
Norlevorphanol	52
Normethadone	2
Normorphine	40
Para-fluorofentanyl	5
Parahexyl	5
Phenomorphan	2
Pholcodine	5
Psilocybin	30
Psilocyn	50
Quinolin-8-yl 1-(5-fluoropentyl)-1*H*-indole-3-carboxylate (5-fluoro-PB-22; 5F-PB-22)	25
Quinolin-8-yl 1-pentyl-1*H*-indole-3-carboxylate (PB-22; QUPIC)	25
Tetrahydrocannabinols	511,250
Thiofentanyl	2
Tilidine	25
Trimeperidine	2
Schedule II	
1-Phenylcyclohexylamine	5
1-Piperidinocyclohexanecarbonitrile	5
4-Anilino-*N*-phenethyl-4-piperidine (ANPP)	2,950,000
Alfentanil	17,750
Alphaprodine	3
Amobarbital	25,125
Amphetamine (for conversion)	15,000,000
Amphetamine (for sale)	37,500,000
Carfentanil	19
Cocaine	200,000
Codeine (for conversion)	50,000,000
Codeine (for sale)	63,900,000
Dextropropoxyphene	45
Dihydrocodeine	226,375
Diphenoxylate (for conversion)	31,250
Diphenoxylate (for sale)	1,337,500
Ecgonine	125,000
Ethylmorphine	3
Fentanyl	2,300,000
Glutethimide	3
Hydrocodone (for conversion)	235,000
Hydrocodone (for sale)	88,500,000
Hydromorphone	7,000,000
Isomethadone	5
Levo-alphacetylmethadol (LAAM)	4
Levomethorphan	30
Levorphanol	7,125
Lisdexamfetamine	29,750,000
Meperidine	5,450,000
Meperidine Intermediate-A	6
Meperidine Intermediate-B	11
Meperidine Intermediate-C	6
Metazocine	19

Basic class	Proposed 2016 quotas (g)
Methadone (for sale)	31,875,000
Methadone Intermediate	34,375,000
Methamphetamine	2,061,375
[1,250,000 grams of *levo*-desoxyephedrine for use in a non-controlled, non-prescription product; 750,000 grams for methamphetamine mostly for conversion to a schedule III product; and 61,375 grams for methamphetamine (for sale)]	
Methylphenidate	87,500,000
Morphine (for conversion)	91,250,000
Morphine (for sale)	62,500,000
Nabilone	18,750
Noroxymorphone (for conversion)	17,500,000
Noroxymorphone (for sale)	1,475,000
Opium (powder)	112,500
Opium (tincture)	687,500
Oripavine	30,000,000
Oxycodone (for conversion)	6,250,000
Oxycodone (for sale)	139,150,000
Oxymorphone (for conversion)	29,000,000
Oxymorphone (for sale)	7,750,000
Pentobarbital	38,125,000
Phenazocine	6
Phencyclidine	50
Phenmetrazine	3
Phenylacetone	50
Racemethorphan	3
Remifentanil	3,750
Secobarbital	215,003
Sufentanil	6,255
Tapentadol	25,500,000
Thebaine	125,000,000
List I Chemicals	
Ephedrine (for conversion)	100,000
Ephedrine (for sale)	4,000,000
Phenylpropanolamine (for conversion)	22,400,000
Phenylpropanolamine (for sale)	8,500,000
Pseudoephedrine (for conversion)	7,000
Pseudoephedrine (for sale)	224,500,000

The Administrator further proposes that the aggregate production quotas for all other basic classes of schedule I and II controlled substances included in 21 CFR 1308.11 and 1308.12 remain at zero. In accordance with 21 CFR 1303.13 and 21 CFR 1315.13, upon consideration of the relevant factors, the Administrator may adjust the 2016 aggregate production quotas and assessment of annual needs as necessary.

Dated: July 13, 2015.

Chuck Rosenberg,

Acting Administrator.

[FR Doc. 2015–17561 Filed 7–16–15; 8:45 am]

BILLING CODE P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Registration: Meda Pharmaceuticals, Inc.

ACTION: Notice of registration.

SUMMARY: Meda Pharmaceuticals, Inc. applied to be registered as an importer of a certain basic class of controlled substance. The Drug Enforcement Administration (DEA) grants Meda Pharmaceuticals, Inc. registration as an importer of this controlled substance.

SUPPLEMENTARY INFORMATION: By notice dated March 20, 2015, and published in the **Federal Register** on March 27, 2015, 80 FR 16426, Meda Pharmaceuticals, Inc., 705 Eldorado Street, Decatur, Illinois 62523 applied to be registered as an importer of a certain basic class of controlled substance. No comments or objections were submitted for this notice.

The DEA has considered the factors in 21 U.S.C. 823, 952(a) and 958(a) and determined that the registration of Meda Pharmaceuticals, Inc. to import the basic class of controlled substance is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on May 1, 1971. The DEA investigated the company's maintenance of effective controls against diversion by inspecting and testing the company's physical security systems, verifying the company's compliance with state and local laws, and reviewing the company's background and history.

Therefore, pursuant to 21 U.S.C. 952(a) and 958(a), and in accordance with 21 CFR 1301.34, the above-named company is granted registration as an importer of nabilone (7379) a basic class of controlled substance listed in schedule II.

The company plans to import the FDA approved drug product in finished dosage form for distribution to its customers.

Dated: July 10, 2015.

Joseph T. Rannazzisi,

Deputy Assistant Administrator.

[FR Doc. 2015–17514 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Manufacturer of Controlled Substances Registration: Mallinckrodt, LLC

ACTION: Notice of registration.

SUMMARY: Mallinckrodt, LLC applied to be registered as a manufacturer of certain basic classes of controlled substances. The Drug Enforcement Administration (DEA) grants Mallinckrodt, LLC registration as a manufacturer of those controlled substances.

SUPPLEMENTARY INFORMATION: By notice dated January 21, 2015, and published in the **Federal Register** on January 28, 2015, 80 FR 4592, Mallinckrodt LLC, 3600 North Second Street, St. Louis, Missouri 63147 applied to be registered as a manufacturer of certain basic classes of controlled substances. No comments or objections were submitted to this notice.

The DEA has considered the factors in 21 U.S.C. 823(a) and determined that the registration of Mallinckrodt, LLC to manufacture the basic classes of controlled substances is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on May 1, 1971. The DEA investigated the company's maintenance of effective controls against diversion by inspecting and testing the company's physical security systems, verifying the company's compliance with state and local laws, and reviewing the company's background and history.

Therefore, pursuant to 21 U.S.C. 823(a), and in accordance with 21 CFR 1301.33, the above-named company is granted registration as a bulk manufacturer of the following basic classes of controlled substances:

Controlled substance	Schedule
Gamma Hydroxybutyric Acid (2010).	I
Lisdexamfetamine (1205)	II
Oripavine (9330)	II
Tapentadol (9780)	II

The company plans to manufacturer bulk active pharmaceutical ingredients (API) for distribution and product development to its customers.

Dated: July 10, 2015.

Joseph T. Rannazzisi,

Deputy Assistant Administrator.

[FR Doc. 2015–17523 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Manufacturer of Controlled Substances Registration: Navinta LLC

ACTION: Notice of registration.

SUMMARY: Navinta LLC applied to be registered as a manufacturer of certain basic classes of controlled substances. The Drug Enforcement Administration (DEA) grants Navinta LLC registration as a manufacturer of those controlled substances.

SUPPLEMENTARY INFORMATION: By notice dated February 11, 2015, and published in the **Federal Register** on February 19, 2015, 80 FR 8901, Navinta LLC, 1499 Lower Ferry Road, Ewing, New Jersey 08618–1414 applied to be registered as a manufacturer of certain basic classes of controlled substances. No comments or objections were submitted for this notice.

The DEA has considered the factors in 21 U.S.C. 823(a) and determined that the registration of Navinta LLC to manufacture the basic classes of controlled substances is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on May 1, 1971. The DEA investigated the company's maintenance of effective controls against diversion by inspecting and testing the company's physical security systems, verifying the company's compliance with state and local laws, and reviewing the company's background and history.

Therefore, pursuant to 21 U.S.C. 823(a), and in accordance with 21 CFR 1301.33, the above-named company is granted registration as a bulk manufacturer of the basic classes of controlled substances listed:

Controlled substance	Schedule
Pentobarbital (2270)	II
Remifentanil (9739)	II

The company plans to initially manufacture API quantities of the listed controlled substances for validation purposes and FDA approval, and then produce commercial size batches for distribution to dosage form manufacturers upon FDA approval.

Dated: July 10, 2015.

Joseph T. Rannazzisi,

Deputy Assistant Administrator.

[FR Doc. 2015–17525 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–392]

Importer of Controlled Substances Registration: Siegfried USA, LLC

ACTION: Notice of registration.

SUMMARY: Siegfried USA, LLC applied to be registered as an importer of certain basic classes of controlled substances. The Drug Enforcement Administration (DEA) grants Siegfried USA, LLC registration as an importer of those controlled substances.

SUPPLEMENTARY INFORMATION: By notice dated April 14, 2015, and published in the **Federal Register** on April 22, 2015, 80 FR 22561, Siegfried USA, LLC, 33 Industrial Park Road, Pennsville, New Jersey 08070 applied to be registered as an importer of certain basic classes of controlled substances. Comments and requests for hearings on applications to import narcotic raw material are not appropriate. 72 FR 3417 (January 25, 2007).

The DEA has considered the factors in 21 U.S.C. 823, 952(a) and 958(a) and determined that the registration of Siegfried USA, LLC to import the basic classes of controlled substances is consistent with the public interest and with United States obligations under international treaties, conventions, or protocols in effect on May 1, 1971. The DEA investigated the company's maintenance of effective controls against diversion by inspecting and testing the company's physical security systems, verifying the company's compliance with state and local laws, and reviewing the company's background and history.

Therefore, pursuant to 21 U.S.C. 952(a) and 958(a), and in accordance with 21 CFR 1301.34, the above-named company is granted registration as an

importer of the basic classes of controlled substances:

Controlled substance	Schedule
Opium, raw (9600)	II
Poppy Straw Concentrate (9670)	II

The company plans to import the listed controlled substances to bulk manufacture API's for distribution to its customer.

Dated: July 10, 2015.

Joseph T. Rannazzisi,

Deputy Assistant Administrator.

[FR Doc. 2015–17518 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF JUSTICE

[OMB Number 1103–0093]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision of a Previously Approved Collection COPS Extension Request Form

AGENCY Community Oriented Policing Services (COPS) Office, Department of Justice.

ACTION 30-day notice.

SUMMARY: The Department of Justice (DOJ), Community Oriented Policing Services (COPS) Office, will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. This proposed information collection was previously published in 80 FR 9750, on February 24, 2015, allowing for a 60 day comment period.

DATES: Comments are encouraged and will be accepted for an additional 30 days until August 17, 2015.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Lashon Hilliard, Department of Justice, Community Oriented Policing Services (COPS) Office, 145 N Street NE., Washington, DC 20530 (202–514–6563). Written comments and/or suggestions can also be directed to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention Department of Justice Desk Officer, Washington, DC 20530 or sent to *OIRA_submissions@omb.eop.gov.*

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

—Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

—Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

—Enhance the quality, utility, and clarity of the information to be collected; and/or

—Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

1. *Type of Information Collection:* Revision of a currently approved collection, with change; comments requested.

2. *The Title of the Form/Collection:* COPS Extension Request Form.

3. *The agency form number:* None. U.S. Department of Justice, Community Oriented Policing Services (COPS) Office.

4. *Affected public who will be asked or required to respond, as well as a brief abstract:* Law enforcement agencies and other COPS grants recipients that have grants expiring within 90 days of the date of the form/request. The extension request form will allow recipients of COPS grants the opportunity to request a ''no-cost'' time extension in order to complete the federal funding period and requirements for their grant/cooperative agreement award. Requesting and/or receiving a time extension *will not* provide additional funding.

5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* It is estimated that approximately 2,700 respondents annually will complete the form within 30 minutes.

6. *An estimate of the total public burden (in hours) associated with the collection:* 1,350 total annual burden hours (0.5 hours × 2700 respondents + 1,350 total burden hours).

If additional information is required contact: Jerri Murray, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE., 3E.405B, Washington, DC 20530.

Dated: July 14, 2015.

Jerri Murray,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2015–17566 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–AT–P

DEPARTMENT OF JUSTICE

[OMB Number 1123–0011]

Agency Information Collection Activities; Proposed eCollection eComments Requested; Revision and Extension of a Currently Approved Collection; Department of Justice Equitable Sharing Agreement and Certification

AGENCY: Asset Forfeiture and Money Laundering Section, Department of Justice.

ACTION: 60-day notice.

SUMMARY: The Department of Justice (DOJ), Criminal Division, Asset Forfeiture and Money Laundering Section, will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995.

DATES: Comments are encouraged and will be accepted for 60 days until September 15, 2015.

FOR FURTHER INFORMATION CONTACT: If you have additional comments especially on the estimated public burden or associated response time, suggestions, or need a copy of the proposed information collection instrument with instructions or additional information, please contact Jennifer Bickford, Acting Assistant Deputy Chief, Asset Forfeiture and Money Laundering Section, 1400 New York Avenue NW., Washington, DC 20005 (phone: 202–514–1263).

SUPPLEMENTARY INFORMATION: Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address one or more of the following four points:

—Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Bureau of Justice

Statistics, including whether the information will have practical utility;
—Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
—Evaluate whether and if so how the quality, utility, and clarity of the information to be collected can be enhanced; and
—Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

1. *Type of Information Collection:* Revision and extension of a currently approved collection of the Department of Justice Equitable Sharing Agreement and Certification, a previously approved collection for which approval will expire on January 31, 2018.

2. *The Title of the Form/Collection:* Department of Justice Equitable Sharing Agreement and Certification.

3. *The agency form number, if any, and the applicable component of the Department sponsoring the collection:* There is not an agency form number. The applicable component within the Department of Justice is the Asset Forfeiture and Money Laundering Section, in the Criminal Division.

4. *Affected public who will be asked or required to respond, as well as a brief abstract:*

The Attorney General is required by statute to ''assure that any property transferred to a State or local law enforcement agency . . . will serve to encourage further cooperation between the recipient State or local agency and Federal law enforcement agencies.'' 21 U.S.C. 881(e)(3). The Asset Forfeiture and Money Laundering Section (AFMLS) ensures such cooperation by requiring that all such ''equitably shared'' funds be used only for law enforcement purposes and not be distributed to other governmental agencies by the recipient law enforcement agencies. By requiring that law enforcement agencies that participate in the Equitable Sharing Program (Program) file an Equitable Sharing Agreement and Certification (ESAC), AFMLS can readily ensure compliance with its statutory obligations.

The ESAC requires information regarding the receipt and expenditure of Program funds from the participating agency. Accordingly, it seeks information that is exclusively in the hands of the participating agency.

5. *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* An estimated 7,600 state and local law enforcement agencies electronically file the ESAC annually with AFMLS. It is estimated that it takes 30 minutes per year to enter the information. All of the approximately 7,600 agencies must fully complete the form each year to maintain compliance and continue participation in the Department of Justice Equitable Sharing Program.

6. *An estimate of the total public burden (in hours) associated with the collection:* The estimated public burden associated with this collection is 3,800 hours. It is estimated that respondents will take 30 minutes to complete the form. (7,600 participants × 30 minutes = 3,800 hours).

If additional information is required contact: Jerri Murray, Department Clearance Officer, United States Department of Justice, Justice Management Division, Policy and Planning Staff, Two Constitution Square, 145 N Street NE., 3E.405B, Washington, DC 20530.

Dated: July 14, 2015.

Jerri Murray,

Department Clearance Officer for PRA, U.S. Department of Justice.

[FR Doc. 2015–17565 Filed 7–16–15; 8:45 am]

BILLING CODE 4410–14–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

[OMB Control No. 1219–0082]

Proposed Extension of Information Collection; Records of Preshift and Onshift Inspections of Slope and Shaft Areas of Slope and Shaft Sinking Operations at Coal Mines

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Request for public comments.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed collections of information in accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3506(c)(2)(A). This program helps to assure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Mine Safety and Health Administration (MSHA) is soliciting comments on the information collection for Records of Preshift and Onshift Inspections of Slope and Shaft Areas of Slope and Shaft Sinking Operations at Coal Mines.

DATES: All comments must be received on or before September 15, 2015.

ADDRESSES: Comments concerning the information collection requirements of this notice may be sent by any of the methods listed below.

- *Federal E-Rulemaking Portal: http://www.regulations.gov.* Follow the on-line instructions for submitting comments for docket number MSHA–2015–0019.
- *Regular Mail:* Send comments to USDOL–MSHA, Office of Standards, Regulations, and Variances, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452.
- *Hand Delivery:* USDOL-Mine Safety and Health Administration, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452. Sign in at the receptionist's desk on the 4th floor via the East elevator.

FOR FURTHER INFORMATION CONTACT: Sheila McConnell, Acting Director, Office of Standards, Regulations, and Variances, MSHA, at *MSHA.information.collections@dol.gov* (email); 202–693–9440 (voice); or 202–693–9441 (facsimile).

SUPPLEMENTARY INFORMATION:

I. Background

The sinking of slopes and shafts is a particularly hazardous operation where conditions change drastically in short periods of time. Explosive methane and other harmful gases can be expected to infiltrate the work environment at any time. The working environment is typically a confined area in close proximity to moving equipment. Accordingly, 30 CFR Section 77.1901 requires operators to conduct examinations of slope and shaft areas for hazardous conditions, including tests for methane and oxygen deficiency, within 90 minutes before each shift, once during each shift, and before and after blasting. The surface area surrounding each slope and shaft is also required to be inspected for hazards.

The standard also requires that a record be kept of the results of the inspections. The record includes a

description of any hazardous condition found and the corrective action taken to abate it. The record is necessary to ensure that the inspections and tests are conducted in a timely fashion and that corrective action is taken when hazardous conditions are identified, thereby ensuring a safe working environment for the slope and shaft sinking employees. The record is maintained at the mine site for the duration of the operation.

II. Desired Focus of Comments

MSHA is soliciting comments concerning the proposed information collection related to Records of Preshift and Onshift Inspections of Slope and Shaft Areas of Slope and Shaft Sinking Operations at Coal Mines. MSHA is particularly interested in comments that:

- Evaluate whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility;
- Evaluate the accuracy of MSHA's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used;
- Suggest methods to enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

The information collection request will be available on *http://www.regulations.gov.* MSHA cautions the commenter against providing any information in the submission that should not be publicly disclosed. Full comments, including personal information provided, will be made available on *www.regulations.gov* and *www.reginfo.gov.*

The public may also examine publicly available documents at USDOL-Mine Safety and Health Administration, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452. Sign in at the receptionist's desk on the 4th floor via the East elevator.

Questions about the information collection requirements may be directed to the person listed in the **FOR FURTHER INFORMATION CONTACT** section of this notice.

III. Current Actions

This request for collection of information contains provisions for Records of Preshift and Onshift Inspections of Slope and Shaft Areas of Slope and Shaft Sinking Operations at Coal Mines. MSHA has updated the data with respect to the number of respondents, responses, burden hours, and burden costs supporting this information collection request.

Type of Review: Extension, without change, of a currently approved collection.

Agency: Mine Safety and Health Administration.

OMB Number: 1219–0082.

Affected Public: Business or other for-profit.

Number of Respondents: 19.

Frequency: On occasion.

Number of Responses: 8,360.

Annual Burden Hours: 10,450 hours.

Annual Respondent or Recordkeeper Cost: $0.

Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: July 13, 2015.

Sheila McConnell,

Certifying Officer.

[FR Doc. 2015–17542 Filed 7–16–15; 8:45 am]

BILLING CODE 4510–43–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

Petitions for Modification of Application of Existing Mandatory Safety Standards

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Notice.

SUMMARY: Section 101(c) of the Federal Mine Safety and Health Act of 1977 and Title 30 of the Code of Federal Regulations, 30 CFR part 44, govern the application, processing, and disposition of petitions for modification. This notice is a summary of petitions for modification submitted to the Mine Safety and Health Administration (MSHA) by the parties listed below.

DATES: All comments on the petitions must be received by the Office of Standards, Regulations, and Variances on or before August 17, 2015.

ADDRESSES: You may submit your comments, identified by ''docket number'' on the subject line, by any of the following methods:

1. *Electronic Mail: zzMSHA-comments@dol.gov.* Include the docket number of the petition in the subject line of the message.
2. *Facsimile:* 202–693–9441.
3. *Regular Mail or Hand Delivery:* MSHA, Office of Standards, Regulations, and Variances, 201 12th Street South, Suite 4E401, Arlington, Virginia 22202–5452, Attention: Sheila McConnell, Acting Director, Office of Standards, Regulations, and Variances. Persons delivering documents are required to check in at the receptionist's desk in Suite 4E401. Individuals may inspect copies of the petitions and comments during normal business hours at the address listed above.

MSHA will consider only comments postmarked by the U.S. Postal Service or proof of delivery from another delivery service such as UPS or Federal Express on or before the deadline for comments.

FOR FURTHER INFORMATION CONTACT: Barbara Barron, Office of Standards, Regulations, and Variances at 202–693–9447 (Voice), *barron.barbara@dol.gov* (Email), or 202–693–9441 (Facsimile). [These are not toll-free numbers.]

SUPPLEMENTARY INFORMATION:

I. Background

Section 101(c) of the Federal Mine Safety and Health Act of 1977 (Mine Act) allows the mine operator or representative of miners to file a petition to modify the application of any mandatory safety standard to a coal or other mine if the Secretary of Labor determines that:

1. An alternative method of achieving the result of such standard exists which will at all times guarantee no less than the same measure of protection afforded the miners of such mine by such standard; or
2. That the application of such standard to such mine will result in a diminution of safety to the miners in such mine.

In addition, the regulations at 30 CFR 44.10 and 44.11 establish the requirements and procedures for filing petitions for modification.

II. Petitions for Modification

Docket Number: M–2015–013–C.

Petitioner: Emerald Processing, LLC, 1144 Market Street, Suite 400, Wheeling, West Virginia 26003.

Mine: Peerless Rachel Mine, MSHA I.D. No. 46–09258, located in Boone County, West Virginia.

Regulation Affected: 30 CFR 75.1909(b)(6) (Nonpermissible diesel-powered equipment; design and performance requirements).

Modification Request: The petitioner requests a modification of the existing standard, which requires service brakes that act on each wheel of the vehicle, to permit the use of a Getman diesel grader

to be operated underground with only rear wheel brakes. The petitioner states that:

(1) The diesel grader will be limited to a maximum speed of 10 miles per hour by physically blocking the higher gear ratios that provide for speeds exceeding 10 miles per hour.

(2) The miners that operate the grader will be trained to recognize the gear blocking device and its proper application and requirements.

(3) The miners that operate the grader will be trained to drop the grader blade in emergencies to provide additional stopping capability.

(4) Limiting the grader to low speeds, coupled with the availability of the grader blade for stopping in emergencies, will provide the appropriate stopping ability. The rear wheel brakes will be maintained in proper working condition at all times.

(5) The Getman diesel grader will meet all other applicable requirements of the Federal Mine Safety and Health Act of 1977 and MSHA's regulations.

(6) This petition is limited to the Getman diesel grader serial number 6732.

(7) Within 60 days after this petition becomes final, the petitioner will submit proposed revisions for their approved 30 CFR part 48 training plan to the District Manager. These revisions will specify initial and refresher training consistent with the terms and conditions stated in the petition.

Docket Number: M–2015–014–C.

Petitioner: XMV, Inc., 640 Clover Dew Dairy Road, Princeton, West Virginia 24740.

Mine: Mine No. 40, MSHA I.D. No. 46–09298, located in McDowell County, West Virginia.

Regulation Affected: 30 CFR 77.214(a) (Refuse piles; general).

Modification Request: The petitioner requests a modification of the existing standard to permit, upon abandonment of the XMV Mine No. 40, completion of the following as an alternative method to the standard:

(1) The Army Corps of Engineers has documented that the existing groundwater table is only present below the proposed Pocahontas No. 9 Seam mine portals at the level of the Pocahontas No. 3 Seam mine void. This is due to extensive mining of the Pocahontas No. 3 Seam, which has fractured the overlying strata. The Pocahontas No. 3 Seam is ± 300 feet below the Pocahontas No. 9 Seam. Based upon the site-specific data provided, the petitioner proposes to seal the five up-dip mine entries with a concrete block seal and fill the remaining area between the mine seal and the surface with the most impervious and noncombustible material available. Entry No. 1 will be equipped with a ''wet'' seal that will extrude from the block seal outward to the edge of the Pocahontas No. 9 Seam mine bench and entries Nos. 2, 3, 4 and 5 will be constructed as ''dry'' seals. Although the possibility of impounding water in the mine void is unlikely because the refuse area will be up-dip of the abandoned mine and above the Pocahontas No. 3 Seam, a wet seal will be used as a preventive measure.

(2) To minimize the possibility of ignition and burning, in addition to placing the most impervious and noncombustible material within limits of the concrete seals and the surface, the most impervious and noncombustible material will be used to encapsulate the exposed coal seam along the existing highwall with a minimum of 4 feet of cover.

(3) Once the coal seam and mine entries are sealed and encapsulated, the placement of dry, screened refuse material from the underlying XMV Mine No. 42—Pocahontas No. 6 Seam mine will be used to backfill and eliminate the existing highwall.

The petitioner asserts that as indicated in the information and designs provided, the encapsulation of the entire coal seam, the location of the proposed refuse area up-dip of the underground mine void, and the absence of any groundwater discharge, the proposed plan limits the potential for burning of the coal seam or impounding water within the mine void and will provide no less than the same measure of protection or greater than that afforded by the standard.

Dated: July 13, 2015.

Sheila McConnell,

Acting Director, Office of Standards, Regulations, and Variances.

[FR Doc. 2015–17540 Filed 7–16–15; 8:45 am]

BILLING CODE 4510–43–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

[OMB Control No. 1219–0065]

Proposed Extension of Information Collection; Petitions for Modification of Mandatory Safety Standards

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Request for public comments.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a pre-clearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed collections of information in accordance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3506(c)(2)(A). This program helps to assure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Mine Safety and Health Administration (MSHA) is soliciting comments on the information collection for Petitions for Modification of Mandatory Safety Standards.

DATES: All comments must be received on or before September 15, 2015.

ADDRESSES: Comments concerning the information collection requirements of this notice may be sent by any of the methods listed below.

- *Federal E-Rulemaking Portal: http://www.regulations.gov.* Follow the on-line instructions for submitting comments for docket number MSHA–2015–0016.
- *Regular Mail:* Send comments to USDOL–MSHA, Office of Standards, Regulations, and Variances, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452.
- *Hand Delivery:* USDOL-Mine Safety and Health Administration, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452. Sign in at the receptionist's desk on the 4th floor via the East elevator.

FOR FURTHER INFORMATION CONTACT: Sheila McConnell, Acting Director, Office of Standards, Regulations, and Variances, MSHA, at *MSHA.information.collections@dol.gov* (email); 202–693–9440 (voice); or 202–693–9441 (facsimile).

SUPPLEMENTARY INFORMATION:

I. Background

Section 101(c) of the Federal Mine Safety and Health Act of 1977 (Mine Act), 30 U.S.C. Section 811(c), provides that a mine operator or a representative of miners may petition the Secretary of Labor (Secretary) to modify the application of a mandatory safety standard. A petition for modification may be granted if the Secretary determines (1) that an alternative method of achieving the results of the standard exists and that it will guarantee, at all times, no less than the same measure of protection for the miners affected as that afforded by the standard, or (2) that the application of

the standard will result in a diminution of safety to the miners affected.

Under 30 CFR 44.9, mine operators must post a copy of each petition for modification concerning the mine on the mine's bulletin board and maintain the posting until a ruling on the petition becomes final. This applies only to mines for which there is no representative of miners.

Under 30 CFR 44.10, detailed guidance for filing a petition for modification is provided for the operator of the affected mine or any representative of the miners at that mine. The petition must be in writing, filed with the Director, Office of Standards, Regulations and Variances, and a copy of the petition served by the filing party (the mine operator or representative of miners) on the other party.

Under 30 CFR 44.11(a), the petition for modification must contain the petitioner's name and address; the mailing address and mine identification number of the mine or mines affected; the mandatory safety standard to which the petition is directed; a concise statement of the modification requested and whether the petitioner (1) proposes to establish an alternate method in lieu of the mandatory safety standard, or (2) alleges that application of the standard will result in diminution of safety to the miners affected, or (3) requests relief based on both grounds; a detailed statement of the facts that show the grounds upon which a modification is claimed or warranted; and, if the petitioner is a mine operator, the identity of any representative of miners at the affected mine.

II. Desired Focus of Comments

MSHA is soliciting comments concerning the proposed information collection related to Petitions for Modification of Mandatory Safety Standards. MSHA is particularly interested in comments that:

- Evaluate whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information has practical utility;
- Evaluate the accuracy of MSHA's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used;
- Suggest methods to enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

The information collection request will be available on *http://www.regulations.gov.* MSHA cautions the commenter against providing any information in the submission that should not be publicly disclosed. Full comments, including personal information provided, will be made available on *www.regulations.gov* and *www.reginfo.gov.*

The public may also examine publicly available documents at USDOL-Mine Safety and Health Administration, 201 12th Street South, Suite 4E401, Arlington, VA 22202–5452. Sign in at the receptionist's desk on the 4th floor via the East elevator.

Questions about the information collection requirements may be directed to the person listed in the **FOR FURTHER INFORMATION** section of this notice.

III. Current Actions

This request for collection of information contains provisions for Petitions for Modification of Mandatory Safety Standards. MSHA has updated the data with respect to the number of respondents, responses, burden hours, and burden costs supporting this information collection request.

Type of Review: Extension, without change, of a currently approved collection.

Agency: Mine Safety and Health Administration.

OMB Number: 1219–0065.

Affected Public: Business or other for-profit.

Number of Respondents: 68.

Frequency: On occasion.

Number of Responses: 68.

Annual Burden Hours: 2,720 hours.

Annual Respondent or Recordkeeper Cost: $24,916.

Comments submitted in response to this notice will be summarized and included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: July 13, 2015.

Sheila McConnell,

Certifying Officer.

[FR Doc. 2015–17541 Filed 7–16–15; 8:45 am]

BILLING CODE 4510–43–P

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

[NARA–2015–053]

Records Schedules; Availability and Request for Comments

AGENCY: National Archives and Records Administration (NARA).

ACTION: Notice of availability of proposed records schedules; request for comments.

SUMMARY: The National Archives and Records Administration (NARA) publishes notice at least once monthly of certain Federal agency requests for records disposition authority (records schedules). Once approved by NARA, records schedules provide mandatory instructions on what happens to records when no longer needed for current Government business. They authorize agencies to preserve records of continuing value in the National Archives of the United States and to destroy, after a specified period, records lacking administrative, legal, research, or other value. NARA publishes notice for records schedules in which agencies propose to destroy records not previously authorized for disposal or reduce the retention period of records already authorized for disposal. NARA invites public comments on such records schedules, as required by 44 U.S.C. 3303a(a).

DATES: NARA must receive requests for copies in writing by August 17, 2015. Once NARA completes appraisal of the records, we will send you a copy of the schedule you requested. We usually prepare appraisal memoranda that contain additional information concerning the records covered by a proposed schedule. You may also request these. If you do, we will also provide them once we have completed the appraisal. You have 30 days after we send these requested documents in which to submit comments.

ADDRESSES: You may request a copy of any records schedule identified in this notice by contacting Records Management Services (ACNR) using one of the following means:

Mail: NARA (ACNR); 8601 Adelphi Road; College Park, MD 20740–6001.

Email: request.schedule@nara.gov.

FAX: 301–837–3698.

You must cite the control number, which appears in parentheses after the name of the agency which submitted the schedule, and a mailing address. If you would like an appraisal report, please include that in your request.

FOR FURTHER INFORMATION CONTACT: Margaret Hawkins, Director, by mail at

Records Management Services (ACNR); National Archives and Records Administration; 8601 Adelphi Road; College Park, MD 20740–6001, by phone at 301–837–1799, or by email at *request.schedule@nara.gov.*

SUPPLEMENTARY INFORMATION: Each year, Federal agencies create billions of records on paper, film, magnetic tape, and other media. To control this accumulation, agency records managers prepare schedules proposing retention periods for records and submit these schedules for NARA's approval. These schedules provide for timely transfer into the National Archives of historically valuable records and authorize the disposal of all other records after the agency no longer needs them to conduct its business. Some schedules are comprehensive and cover all the records of an agency or one of its major subdivisions. Most schedules, however, cover records of only one office or program or a few series of records. Many of these update previously approved schedules, and some include records proposed as permanent.

The schedules listed in this notice are media neutral unless otherwise specified. An item in a schedule is media neutral when an agency may apply the disposition instructions to records regardless of the medium in which it has created or maintains the records. Items included in schedules submitted to NARA on or after December 17, 2007, are media neutral unless the item is limited to a specific medium. (See 36 CFR 1225.12(e).)

No agencies may destroy Federal records without the approval of the Archivist of the United States. The Archivist grants this approval only after a thorough consideration of the records' administrative use by the agency of origin, the rights of the Government and of private people directly affected by the Government's activities, and whether or not the records have historical or other value.

In addition to identifying the Federal agencies and any subdivisions requesting disposition authority, this notice lists the organizational unit(s) accumulating the records or that the schedule has agency-wide applicability (in the case of schedules that cover records that may be accumulated throughout an agency), provides the control number assigned to each schedule, the total number of schedule items, and the number of temporary items (the records proposed for destruction), and includes a brief description of the temporary records. The records schedule itself contains a full description of the records at the file unit level as well as their disposition. If NARA staff has prepared an appraisal memorandum for the schedule, it too includes information about the records. You may request additional information about the disposition process at the addresses above.

Schedules Pending

1. Department of Commerce, Bureau of the Census (DAA–0029–2015–0001, 20 items, 10 temporary items). Records of the American Community Survey Office, including data processing records, custom tabulations and table packages, and records documenting the development of questionnaires through interviews with respondents. Proposed for permanent retention are unedited and edited master files, summary files, questionnaires, and formally issued reports and working papers.

2. Department of Commerce, Bureau of the Census (DAA–0029–2015–0002, 3 items, 1 temporary item). Records of the Center for Statistical Research and Methodology relating to clearance of research papers for internet posting. Proposed for permanent retention are annual reports and research reports for statistics and computing.

3. Department of Defense, Defense Logistics Agency (DAA–0361–2015–0002, 19 items 19 temporary items). Records of activities that use non-appropriated funds including organization, accounts, inventories, and personnel.

4. Department of Defense, Defense Threat Reduction Agency (DAA–0374–2014–0026, 1 item, 1 temporary item). Records relating to the appointment of agency transportation officers.

5. Department of Defense, Defense Threat Reduction Agency (DAA–0374–2014–0032, 1 item, 1 temporary item). Records relating to ratings for contracts and contractors.

6. Department of Homeland Security, Transportation Security Administration (DAA–0560–2013–0002, 1 item, 1 temporary item). Master files of an electronic information system used to track compliance with environmental management regulations.

7. Department of the Navy, United States Marine Corps (DAA–0127–2014–0006, 1 item, 1 temporary item). Master files of an electronic information system containing vehicle maintenance and repair manuals.

8. Department of State, Office of the Chief of Protocol (DAA–0059–2014–0006, 3 items, 1 temporary item). Records of the Chief and Deputy Chiefs of Protocol relating to events, execution of ceremonies, and related travel. Proposed for permanent retention are correspondence and approval records for the planning of events, ceremonies, and travel, and paper program records prior to 2013.

9. Department of Transportation, Federal Highway Administration (DAA–0406–2013–0002, 2 items, 2 temporary items). Tolling agreements and program files.

10. Department of Transportation, Federal Railroad Administration (DAA–0399–2014–0002, 1 item, 1 temporary item). Master files of an electronic information system used to track and maintain incoming correspondence.

11. Department of Transportation, Federal Transit Administration (DAA–0408–2013–0007, 2 items, 2 temporary items). Equal employment opportunity records.

12. Consumer Financial Protection Bureau, Division of Consumer Education and Engagement (DAA–0587–2014–0006, 24 items, 19 temporary items). Records include administrative reports, research, and training materials. Proposed for permanent retention are final reports, decision memorandums, and publications.

13. Privacy and Civil Liberties Oversight Board, Agency-wide (DAA–0595–2015–0001, 5 items, 3 temporary items). Records include administrative files and other supporting records for operations and management. Proposed for permanent retention are correspondence, policy records, meeting records, final board decisions and actions, organization charts, and press releases.

Dated: July 14, 2015.

Paul M. Wester, Jr.,

Chief Records Officer for the U.S. Government.

[FR Doc. 2015–17631 Filed 7–16–15; 8:45 am]

BILLING CODE 7515–01–P

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Meetings of Humanities Panel

AGENCY: National Endowment for the Humanities.

ACTION: Notice of meetings.

SUMMARY: The National Endowment for the Humanities will hold seventeen meetings of the Humanities Panel, a federal advisory committee, during August, 2015. The purpose of the meetings is for panel review, discussion, evaluation, and recommendation of applications for financial assistance under the National Foundation on the Arts and Humanities Act of 1965.

DATES: See Supplementary Information section for meeting dates.

ADDRESSES: The meetings will be held at Constitution Center at 400 7th Street SW., Washington, DC 20506. See Supplementary Information for meeting room numbers.

FOR FURTHER INFORMATION CONTACT: Lisette Voyatzis, Committee Management Officer, 400 7th Street SW., Room, 4060, Washington, DC 20506; (202) 606–8322; *evoyatzis@neh.gov*. Hearing-impaired individuals who prefer to contact us by phone may use NEH's TDD terminal at (202) 606–8282.

SUPPLEMENTARY INFORMATION: Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App.), notice is hereby given of the following meetings:

1. *Date:* August 03, 2015.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subject of Asian Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

2. *Date:* August 04, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subjects of Anthropology and New World Archaeology for Fellowships for University Teachers, submitted to the Division of Research Programs.

3. *Date:* August 04, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subject of American Literature for Fellowships for University Teachers, submitted to the Division of Research Programs.

4. *Date:* August 05, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subjects of Romance Literature and Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

5. *Date:* August 05, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subject of Asian Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

6. *Date:* August 06, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subject of European History for Fellowships for University Teachers, submitted to the Division of Research Programs.

7. *Date:* August 06, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subject of European History for Fellowships for University Teachers, submitted to the Division of Research Programs.

8. *Date:* August 10, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subjects of African and Middle Eastern Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

9. *Date:* August 11, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subject of Latin American Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

10. *Date:* August 11, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subject of Latin American Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

11. *Date:* August 11, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: 2002.
This meeting will discuss applications for the Humanities Open Book grant program, submitted to the Office of Digital Humanities.

12. *Date:* August 12, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subjects of Ethnomusicology and Anthropology for Fellowships for University Teachers, submitted to the Division of Research Programs.

13. *Date:* August 12, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subjects of Medieval and Renaissance Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

14. *Date:* August 13, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P002.
This meeting will discuss applications on the subject of American History for Fellowships for University Teachers, submitted to the Division of Research Programs.

15. *Date:* August 13, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: P003.
This meeting will discuss applications on the subject of American Studies for Fellowships for University Teachers, submitted to the Division of Research Programs.

16. *Date:* August 14, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: Education Team Room.
This meeting will discuss applications on the subjects of Social Sciences and the History of Science for Fellowships for University Teachers, submitted to the Division of Research Programs.

17. *Date:* August 27, 2014.
Time: 8:30 a.m. to 5:00 p.m.
Room: 4002.
This meeting will discuss applications for the Preservation and Access Education and Training grant program, submitted to the Division of Preservation and Access.

Because these meetings will include review of personal and/or proprietary financial and commercial information given in confidence to the agency by grant applicants, the meetings will be closed to the public pursuant to sections 552b(c)(4) and 552b(c)(6) of Title 5, U.S.C., as amended. I have made this determination pursuant to the authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee Meetings dated July 19, 1993.

Dated: July 8, 2015.

Elizabeth Voyatzis,
Committee Management Officer.

[FR Doc. 2015–17555 Filed 7–16–15; 8:45 am]
BILLING CODE 7536–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40–8943; ASLBP No. 08–867–02–OLA–BD01]

Atomic Safety And Licensing Board; Before Administrative Judges: Michael M. Gibson, Chair, Dr. Richard E. Wardwell, Brian K. Hajek, Alan S. Rosenthal (Special Assistant to the Board); In the Matter of Crow Butte Resources, Inc. (License Renewal for the In Situ Leach Facility, Crawford, Nebraska)

July 13, 2015.

Notice of Hearing

(Notice of Evidentiary Hearing and Opportunity To Provide Written Limited Appearance Statements)

The Atomic Safety and Licensing Board (Board) hereby gives notice that it

will convene an evidentiary hearing to receive testimony and exhibits regarding the contested application of Crow Butte Resources, Inc. (Crow Butte) before the U.S. Nuclear Regulatory Commission (NRC) seeking a renewal of its license to operate an in-situ uranium leach recovery (ISL) facility near Crawford, Nebraska.[1] The Board also hereby gives notice that it will accept written limited appearance statements from members of the public regarding the License Renewal Application.

I. Background of Proceeding

On May 27, 2008, notice of the Crow Butte License Renewal Application was published in the **Federal Register**.[2] Three groups petitioned to intervene as parties in the proceeding and requested that an evidentiary hearing be held on the application.[3] After oral argument, on November 21, 2008, the Board granted two of the petitions,[4] admitting the Oglala Sioux Tribe and Consolidated Intervenors [5] as parties.[6] At that time, the Board admitted nine contentions proposed by the intervenors.[7] Shortly thereafter, on December 10, 2008, the Board admitted a tenth contention.[8]

The NRC Staff and Crow Butte appealed the Board's admission of the contentions.[9] On appeal, the Commission affirmed the intervenors' standing,[10] and affirmed the admissibility of four of the ten contentions.[11] The Oglala Sioux Tribe and Consolidated Intervenors sought review of the Commission's determination by the Court of Appeals for the Eighth Circuit, but their petition for review was dismissed.[12]

On October 27, 2014, approximately six and a half years after the License Renewal Application was made available to the public, the NRC Staff notified the Board of the public availability of its Environmental Assessment.[13] Ten days later, the Staff notified the Board that it had issued a renewed license to Crow Butte with an expiration date of November 5, 2024.[14] The Oglala Sioux Tribe and Consolidated Intervenors requested a stay of the license, but the Board denied to issue a stay.[15]

On January 5, 2015, the Oglala Sioux Tribe and Consolidated Intervenors moved to admit several new contentions that were based on the Environmental Assessment.[16] After oral argument, the Board admitted five new contentions, and supplemented one of the four previously-admitted contentions.[17] On March 16, 2015, Consolidated Intervenors moved to admit additional contentions based on the United States Environmental Protection Agency's proposed rulemaking on uranium ISL,[18] but the Board denied admission of these contentions.[19]

Starting on August 24, 2015, the Board will hold an evidentiary hearing under 10 CFR part 2, subpart L procedures to receive testimony and exhibits on the admitted contentions in this proceeding. The parties to this proceeding (Crow Butte, the NRC Staff, the Oglala Sioux Tribe, and Consolidated Intervenors) have previously filed written narrative testimony and exhibits they intend to offer on the merits of the nine admitted contentions.

II. Matters To Be Considered

The evidentiary hearing will concern the admitted contentions in this proceeding, Contentions A, C, D, F, 1, 6, 9, 12, and 14. These contentions generally challenge the adequacy of (1) the evaluation and protection of historical and cultural resources on the site, and (2) the agency's analysis of the project's impacts on surface water, groundwater, and the ecosystem of the surrounding area. Appendix A, which follows this Notice, contains the statements of the contentions.

III. Date, Time, and Location of Evidentiary Hearing

The hearing will commence on Monday, August 24, 2015, at 9:30 a.m., MDT and continue daily through Friday, August 28, 2014 at 6:00 p.m., MDT, unless the parties conclude their cases earlier. The evidentiary hearing will take place at the: Crawford Community Center, 1005 1st Street, Crawford, Nebraska 69339.

The Board anticipates addressing the admitted contentions in the following order:

Panel 1: Contentions A, C, D, F, 14
Panel 2: Contentions 6, 9, 12
Panel 3: Contention 1

[1] Application for 2007 License Renewal USNRC Source Materials License SUA–1534 Crow Butte License Area (Nov. 2007) (ADAMS Accession No. ML073480264) [hereinafter License Renewal Application]. ''ADAMS'' refers to the NRC's public document management system, and is discussed more below.

[2] Notice of Opportunity for Hearing, Crow Butte Resources, Inc., Crawford, NE., In Situ Leach Recovery Facility, 73 FR 30,426 (May 27, 2008).

[3] Oglala Delegation of the Great Sioux Nation Treaty Council Request for Hearing and Petition for Leave to Intervene (July 30, 2008) (ADAMS Accession No. ML082170263); Oglala Sioux Tribe Request for Hearing and/or Petition to Intervene (July 29, 2008) (ADAMS Accession No. ML082170264); Consolidated Request for Hearing and Petition for Leave to Intervene (July 28, 2008) (ADAMS Accession No. ML082170525).

[4] *See* LBP–08–24, 68 NRC 691, 760 (2008).

[5] *Id.* Although originally named ''Consolidated Petitioners,'' the Board now refers to Beatrice Long Visitor Holy Dance, Debra White Plume, Thomas Kanatakeniate Cook, Loretta Afraid of Bear Cook, Afraid of Bear/Cook Tiwahe, Joe American Horse, Sr., American Horse Tiospaye, Owe Aku/Bring Back the Way, and the Western Nebraska Resources Council as ''Consolidated Intervenors.''

[6] The Board denied a request to intervene by the Oglala Delegation of the Great Sioux Nation Treaty Council, but admitted the delegation as an interested local government body. *Id.*

[7] *Id.* at 760–61.

[8] *See* LBP–08–27, 68 NRC 951, 957 (2008).

[9] NRC Staff's Notice of Appeal of LBP–08–24, Licensing Board's Order of November 21, 2008, and Accompanying Brief (Dec. 10, 2008) (ADAMS Accession No. ML083450781); Crow Butte Resources' Notice of Appeal of LBP–08–24 (Dec. 10, 2008) (ADAMS Accession No. ML083450359).

[10] The Commission provided an opportunity for Owe Aku/Bring Back the Way, and the Western Nebraska Resources Council to correct technical deficiencies with their standing affidavits. *See* CLI–09–9, 69 NRC 331, 366 (2009); Intervenors' Submission of Anders Affidavit (June 17, 2009) (ADAMS Accession No. ML091690486); Affidavit of David Alan House in Support of Owe Aku (July 17, 2009) (ADAMS Accession No. ML092300005).

[11] CLI–09–9, 69 NRC at 366; *see also* Licensing Board Order (Canceling Oral Argument, Ruling on Summary Disposition of Consolidated Petitioners' Miscellaneous Contention G, Requiring Filing of Affidavits) (May 27, 2009) (unpublished) (ADAMS Accession No. ML091470499).

[12] *Oglala Sioux Tribe* v. *NRC,* No. 09–2262 & 09–2285, slip op. (8th Cir. July 22, 2009).

[13] Environmental Assessment Availability Notification, Letter from Marcia Simon, NRC Staff Counsel, to Administrative Judges and Parties (Oct. 27, 2014) (ADAMS Accession No. ML14300A228). The Environmental Assessment was prepared pursuant to the National Environmental Policy Act, 42 U.S.C. 4321 *et seq.*, and the agency's implementing regulations, located in 10 CFR part 51.

[14] License Renewal Notification, Letter from Marcia Simon, NRC Staff Counsel, to Administrative Judges and Parties (Nov. 6, 2014) (ADAMS Accession No. ML14310A434). The renewed license was issued pursuant to 10 CFR 2.1202(a), which allows certain NRC license applications to be granted despite the pendency of a hearing.

[15] *See* LBP–15–2, 81 NRC 48 (2015).

[16] The Oglala Sioux Tribe's Renewed and New Contentions Based on the Final Environmental Assessment (October 2014) (Jan. 5, 2015) (ADAMS Accession No. ML15005A541); Consolidated Intervenors' New Contentions Based on the Final Environmental Assessment (October 2014) (Jan. 5, 2015) (ADAMS Accession No. ML15006A274).

[17] LBP–15–11, 81 NRC __, __ (slip op. at 59–61) (Mar. 16, 2015).

[18] Consolidated Intervenors' Motion For Additional Contentions Based On [Environmental Protection Agency] Proposed Rules (Mar. 16, 2015) (ADAMS Accession No. ML15076A305).

[19] *See* LBP–15–15, 81 NRC __, __ (slip op. at 24) (Apr. 28, 2015). The NRC Staff also made available its Safety Evaluation Report of the License Renewal Application on January 2, 2013. *See* Safety Evaluation Report Availability Notification, Letter from Brett Michael Patrick Klukan, NRC Staff Counsel, to Administrative Judges and Parties (Jan. 2, 2013) (ADAMS Accession No. ML13002A279). A revised Safety Evaluation Report was made available on August 24, 2014. *See* Revised Safety Evaluation Report Availability Notification, Letter from David M. Cylkowski, NRC Staff Counsel, to Administrative Judges and Parties (Aug. 24, 2014) (ADAMS Accession No. ML14232A141). No new contentions were proposed based on the publication of these documents.

Members of the public and media are welcome to attend and observe the evidentiary hearing, which will involve technical, scientific, and legal questions and testimony. Participation in the hearing will be limited to the parties, their lawyers, and witnesses. Please be aware that security measures will be employed at the entrance to the facility, including searches of hand-carried items such as briefcases or backpacks. No signs, banners, posters, or other displays will be permitted in the facility.[20] No firearms or other weapons will be allowed in the facility.[21]

IV. Submitting Written Limited Appearance Statements

As provided in 10 CFR 2.315(a), any person (other than a party or the representative of a party to this proceeding) may submit a written statement setting forth his or her position on matters of concern related to this proceeding, known as a limited appearance statement. Although these statements do not constitute testimony or evidence, and are not treated as statements made under oath, they nonetheless may assist the Board or the parties in their consideration of the issues in this proceeding. Anyone who is considering submitting a limited appearance statement, however, should be aware that the jurisdiction of this Board and the scope of this proceeding are limited to the Crow Butte License Renewal Application, and, more particularly, to the nine admitted contentions in Appendix A.

Written limited appearance statements may be submitted by August 28, 2015, and should be sent by mail, fax, or email both to the Office of the Secretary and the Chairman of this Licensing Board:

Office of the Secretary

Mail: Office of the Secretary, Rulemakings and Adjudications Staff, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

Fax: (301) 415–1101 (verification (301) 415–1966).

Email: hearingdocket@nrc.gov.

Chairman of the Licensing Board

Mail: Administrative Judge Michael M. Gibson, Chairman, c/o Nicholas Sciretta & Sachin Desai, Law Clerks, Atomic Safety and Licensing Board Panel, Mail Stop T–3F23, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

Fax: (301) 415–5599 (verification (301) 415–4128).

Email: Nicholas.Sciretta@nrc.gov & *Sachin.Desai@nrc.gov.*

V. Availability of Documentary Information Regarding the Proceeding

Documents relating to Crow Butte's License Renewal Application are available on the NRC Web site at *http://www.nrc.gov/info-finder/materials/uranium/licensed-facilities/crow-butte.html.* These and other documents related to this proceeding are available for public inspection at the Commission's Public Document Room, located in One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland 20852 or electronically from the publicly available records component of the NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at *http://www.nrc.gov/reading-rm/adams.html.*[22] Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC Public Document Room reference staff by telephone between 8:00 a.m. and 4:00 p.m. Eastern Time, Monday through Friday except federal holidays at (800) 397–4209 or (301) 415–4737, or by sending an email to *pdr.resource@nrc.gov.*

It is so *ordered.*

For The Atomic Safety and Licensing Board.

Rockville, Maryland, July 13, 2015.

Michael M. Gibson,

Chair, Administrative Judge.

Appendix A

Contentions To Be Heard at the Evidentiary Hearing

Contention A: There is no evidence based science for the NRC Staff's conclusion that ISL mining has ''no non radiological health impacts,'' or that non radiological impacts for possible excursions or spills are ''small.''

Contention C: The NRC Staff's characterization that the impact of surface waters from an accident is ''minimal since there are no nearby surface water features,'' does not accurately address the potential for environmental harm to the White River.

Contention D (merged with EA Contention 3 & 10): The NRC Staff incorrectly states there is no communication among the aquifers, when in fact, the Basal Chadron aquifer, where mining occurs, and the aquifer, which provides drinking water to the Pine Ridge Indian Reservation, communicate with each other, resulting in the possibility of contamination of the potable water. Based on this potential communication between the aquifers, the EA's environmental justice analysis, including analysis of cumulative effects, should be expanded to consider potential impacts on the aquifer which provides drinking water to the Pine Ridge Indian Reservation.

Contention F: Failure to include recent research.

Contention 1 (Merged Contentions 1 & 2): Whether the cultural surveys performed and incorporated into the EA formed a sufficient basis on which to renew Crow Butte's permit.

Contention 6: The Final EA violates the National Environmental Policy Act in concluding that the short-term impacts from consumptive ground water use during aquifer restoration are MODERATE.

Contention 9: The Final EA violates 10 CFR 51.10, 51.70 and 51.71, and the National Environmental Policy Act and implementing regulations by failing to include the required discussion of ground water restoration mitigation measures.

Contention 12: The Final EA omits a discussion of the impact of tornadoes on the license renewal area, and inadequately discusses the potential impacts from land application of ISL mining wastewater.

Contention 14: The Final EA violates the National Environmental Policy Act in its failure to provide an analysis of the impacts on the project from earthquakes; especially as it concerns secondary porosity and adequate confinement. These failings violate 10 CFR 51.10, 51.70 and 51.71, and the National Environmental Policy Act, and implementing regulations.

[FR Doc. 2015–17593 Filed 7–16–15; 8:45 am]

BILLING CODE 7590–01–P

[20] *See* Procedures for Providing Security Support for NRC Public Meetings/Hearings, 66 FR 31,719 (June 12, 2001).

[21] A Notice prohibiting the use of weapons at Atomic Safety and Licensing Board proceedings in Nebraska will be issued shortly.

[22] Documents which are determined to contain sensitive or proprietary information may only be available in redacted form. All non-sensitive documents are available in their complete form.

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–390; NRC–2015–0170]

Tennessee Valley Authority, Watts Bar Nuclear Plant, Unit 1

AGENCY: Nuclear Regulatory Commission.

ACTION: License amendment application; opportunity to comment, request a hearing, and petition for leave to intervene.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an amendment to Facility Operating License No. NPF–90, issued to the Tennessee Valley Authority, for operation of the Watts Bar Nuclear Plant (WBN), Unit 1. The proposed amendment modifies the technical specifications to define support systems needed in the first 48 hours after a unit shutdown when steam generators are not available for heat removal. The proposed change is required to support dual unit operation of WBN (a licensing decision for WBN, Unit 2 is currently expected to be made in the fall of 2015).

The proposed amendment also requests changes consistent with Technical Specification Task Force (TSTF) Traveler TSTF–273–A, Revision 2, to provide clarifications related to the requirements of the Safety Function Determination Program (SFDP).

DATES: Submit comments by August 17, 2015. Requests for a hearing or petition for leave to intervene must be filed by September 15, 2015.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0170. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individuals listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Mail comments to:* Cindy Bladey, Office of Administration, Mail Stop: OWFN–12–H08, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

For additional direction on obtaining information and submitting comments, see ''Obtaining Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Jeanne Dion, Office of Nuclear Reactor Regulation, telephone: 301–415–1349, email: *Jeanne.Dion@nrc.gov,* and Robert Schaaf, Office of Nuclear Reactor Regulation, telephone: 301–415–6020, email: *Robert.Schaaf@nrc.gov.* Both are staff of the U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2015–0170 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- *Federal rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0170.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents*'' and then select ''*Begin Web-based ADAMS Search.*'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The Application to Revise the Technical Specifications for Component Cooling Water and Essential Raw Cooling Water to Support Dual Unit Operations is available in ADAMS under Accession No. ML15170A474.
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC–2015–0170 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Introduction

The NRC is considering issuance of an amendment to Facility Operating License No. NPF–90, issued to the Tennessee Valley Authority, for operation of WBN, Unit 1, located in Rhea County, Tennessee.

The proposed amendment modifies the technical specifications to define support systems needed in the first 48 hours after a unit shutdown when steam generators are not available for heat removal. The proposed change is required to support dual unit operation of WBN (a licensing decision for WBN Unit 2 is currently expected to be made in the fall of 2015). The proposed amendment also requests changes consistent with TSTF–273–A, Revision 2, to provide clarifications related to the requirements of the SFDP.

Before any issuance of the proposed license amendment, the NRC will need to make the findings required by the Atomic Energy Act of 1954, as amended (the Act), and NRC's regulations.

The NRC has made a proposed determination that the license amendment request involves no significant hazards consideration. Under the NRC's regulations in § 50.92 of Title 10 of the *Code of Federal Regulations* (10 CFR), this means that operation of the facility in accordance with the proposed amendment would not (1) involve a significant increase in the probability or consequences of an accident previously evaluated; or (2) create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) involve a significant reduction in a margin of safety. As required by 10 CFR 50.91(a), the licensee has provided its analysis of the issue of no significant hazards consideration, which is presented below:

1. Does the proposed change involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No.

The likelihood of a malfunction of any systems, structures or components (SSCs) supported by containment cooling system (CCS) and essential raw cooling water (ERCW) is not significantly increased by adding new technical specification (TS) for ERCW and CCS that require alternate CCS and ERCW system alignments during the first 48 hours after shut down of a unit when the steam generators are not available for heat removal. CCS and ERCW provide the means for transferring residual and decay heat to the Residual Heat Removal (RHR) System for process and operating heat from safety related components during a transient or accident, as well as during normal operation. Although the proposed change includes a design change to allow two ERCW pumps to be powered from one diesel generator (DG), the additional ERCW pump is only aligned to the DG on a non-accident unit during a design basis event on the other unit, and does not result in overloading the DG due to the reduced loading on the non-accident DG. The CCS and ERCW are not initiators of any analyzed accident. All equipment supported by CCS and ERCW has been evaluated to demonstrate that their performance and operation remains as described in the FSAR with no increase in probability of failure or malfunction.

The SSCs credited to mitigate the consequences of postulated design basis accidents remain capable of performing their design basis function. The change in CCS and ERCW system alignments has been evaluated to ensure the RHR System remains capable of removing normal operating and post-accident heat. Additionally, all the CCS and ERCW supported equipment, credited in the accident analysis to mitigate an accident, has

been shown to continue to perform their design function as described in the FSAR.

Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

The proposed TS changes add explanatory text to the programmatic description of the Safety Function Determination Program (SFDP) in TS 5.7.2.18 to clarify the requirements that consideration does not have to be made for a loss of power in determining loss of function. The Bases for LCO 3.0.6 is revised to provide clarification of the ''appropriate LCO for loss of function,'' and that consideration does not have to be made for a loss of power in determining loss of function. The changes are editorial and administrative in nature, and therefore do not increase the probability of any accident previously evaluated. No physical or operational changes are made to the plant. The proposed changes do not change how the plant would mitigate an accident previously evaluated.

Therefore, the proposed change does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed change create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No.

The proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated. The proposed change does not introduce any new modes of plant operation, change the design function of any SSC, or change the mode of operation of any SSC. There are no new equipment failure modes or malfunctions created as the affected SSCs continue to operate in the same manner as previously evaluated and have been evaluated to perform their safety functions when in the alternate alignments as assumed in the accident analysis. Additionally, accident initiators remain as described in the FSAR and no new accident initiators are postulated as a result of the alternate CCS and ERCW alignments.

Therefore, the proposed change does not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed changes [to TS 5.7.2.18] are editorial and administrative in nature and do not result in a change in the manner in which the plant operates. The loss of function of any specific component will continue to be addressed in its specific TS LCO, and plant configuration will be governed by the required actions of those LCOs. The proposed changes are clarifications that do not degrade the availability or capability of safety related equipment, and therefore do not create the possibility of a new or different kind of accident from any accident previously evaluated. There are no design changes associated with the proposed changes, and the changes do not involve a physical alteration of the plant (*i.e.,* no new or different type of equipment will be installed). The changes do not alter assumptions made in the safety analysis, and are consistent with the safety analysis assumptions and current plant operating practice. Due to the administrative nature of the changes, they cannot be an accident initiator.

Therefore, the proposed changes do not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Does the proposed change involve a significant reduction in a margin of safety?

Response: No.

The proposed change continues to ensure that the cooling capability of RHR during normal operation and during the mitigation of a design basis event remains within the evaluated equipment limits and capabilities assumed in the accident analysis. The proposed change does not result in any changes to plant equipment functions, including setpoints and actuations. The proposed change does not alter existing limiting conditions for operation, limiting safety system settings, or safety limits specified in the Technical Specifications. The proposed change to add a new TS for ERCW and CCS assures the ability of these systems to support post-accident residual heat removal.

Therefore, since there is no adverse impact of this change on the Watts Bar Nuclear Plant safety analysis, there is no significant reduction in the margin of safety of the plant.

The proposed changes to TS 5.7.2.18 are clarifications and are editorial and administrative in nature. No changes are made to the LCOs for plant equipment, the time required for the TS Required Actions to be completed, or the out of service time for the components involved. The proposed changes do not affect the safety analysis acceptance criteria for any analyzed event, nor is there a change to any safety analysis limit. The proposed changes do not alter the manner in which safety limits, limiting safety system settings or limiting conditions for operation are determined, nor is there any adverse effect on those plant systems necessary to assure the accomplishment of protection functions. The proposed changes will not result in plant operation in a configuration outside the design basis.

Therefore, the proposed changes do not involve a significant reduction in a margin of safety.

The NRC staff has reviewed the licensee's analysis and, based on this review, it appears that the three standards of 10 CFR 50.92(c) are satisfied. Therefore, the NRC staff proposes to determine that the license amendment request involves a No Significant Hazards Consideration.

The NRC is seeking public comments on this proposed determination that the license amendment request involves no significant hazards consideration. Any comments received within 30 days after the date of publication of this notice will be considered in making any final determination.

Normally, the Commission will not issue the amendment until the expiration of 60 days after the date of publication of this notice. The Commission may issue the license amendment before expiration of the 60-day notice period if the Commission concludes the amendment involves no significant hazards consideration. In addition, the Commission may issue the amendment prior to the expiration of the 30-day comment period should circumstances change during the 30-day comment period such that failure to act in a timely way would result, for example, in derating or shutdown of the facility. Should the Commission take action prior to the expiration of either the comment period or the notice period, it will publish in the **Federal Register** a notice of issuance. Should the Commission make a final No Significant Hazards Consideration Determination, any hearing will take place after issuance. The Commission expects that the need to take this action will occur very infrequently.

III. Opportunity To Request a Hearing and Petition for Leave To Intervene

Within 60 days after the date of publication of this **Federal Register** notice, any person whose interest may be affected by this proceeding and who desires to participate as a party in the proceeding must file a written request for hearing or a petition for leave to intervene specifying the contentions which the person seeks to have litigated in the hearing with respect to the license amendment request. Requests for hearing and petitions for leave to intervene shall be filed in accordance with the NRC's ''Agency Rules of Practice and Procedure'' in 10 CFR part 2. Interested person(s) should consult a current copy of 10 CFR 2.309, which is available at the NRC's PDR. The NRC's regulations are accessible electronically from the NRC Library on the NRC's Web site at *http://www.nrc.gov/reading-rm/doc-collections/cfr/.*

As required by 10 CFR 2.309, a request for hearing or petition for leave to intervene must set forth with particularity the interest of the petitioner in the proceeding and how that interest may be affected by the results of the proceeding. The hearing request or petition must specifically explain the reasons why intervention should be permitted, with particular reference to the following general requirements: (1) The name, address, and telephone number of the requestor or petitioner; (2) the nature of the requestor's/petitioner's right under the Act to be made a party to the proceeding; (3) the nature and extent of the requestor's/petitioner's property, financial, or other interest in the proceeding; and (4) the possible effect of any decision or order which may be

entered in the proceeding on the requestor's/petitioner's interest. The hearing request or petition must also include the specific contentions that the requestor/petitioner seeks to have litigated at the proceeding.

For each contention, the requestor/petitioner must provide a specific statement of the issue of law or fact to be raised or controverted, as well as a brief explanation of the basis for the contention. Additionally, the requestor/petitioner must demonstrate that the issue raised by each contention is within the scope of the proceeding and is material to the findings that the NRC must make to support the granting of a license amendment in response to the application. The hearing request or petition must also include a concise statement of the alleged facts or expert opinion that support the contention and on which the requestor/petitioner intends to rely at the hearing, together with references to those specific sources and documents. The hearing request or petition must provide sufficient information to show that a genuine dispute exists with the applicant on a material issue of law or fact, including references to specific portions of the application for amendment that the petitioner disputes and the supporting reasons for each dispute. If the requestor/petitioner believes that the application for amendment fails to contain information on a relevant matter as required by law, the requestor/petitioner must identify each failure and the supporting reasons for the requestor's/petitioner's belief. Each contention must be one which, if proven, would entitle the requestor/petitioner to relief. A requestor/petitioner who does not satisfy these requirements for at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing with respect to resolution of that person's admitted contentions, including the opportunity to present evidence and to submit a cross-examination plan for cross-examination of witnesses, consistent with NRC regulations, policies, and procedures. The Atomic Safety and Licensing Board will set the time and place for any prehearing conferences and evidentiary hearings, and the appropriate notices will be provided.

Hearing requests or petitions for leave to intervene must be filed no later than 60 days from the date of publication of this notice. Requests for hearing, petitions for leave to intervene, and motions for leave to file new or amended contentions that are filed after the 60-day deadline will not be entertained absent a determination by the presiding officer that the filing demonstrates good cause by satisfying the three factors in 10 CFR 2.309(c)(1)(i)–(iii).

If a hearing is requested, the Commission will make a final determination on the issue of no significant hazards consideration. The final determination will serve to decide when the hearing is held. If the final determination is that the amendment request involves no significant hazards consideration, the Commission may issue the amendment and make it immediately effective, notwithstanding the request for a hearing. Any hearing held would take place after issuance of the amendment. If the final determination is that the amendment request involves a significant hazards consideration, then any hearing held would take place before the issuance of any amendment unless the Commission finds an imminent danger to the health or safety of the public, in which case it will issue an appropriate order or rule under 10 CFR part 2.

IV. Electronic Submissions (E-Filing)

All documents filed in NRC adjudicatory proceedings, including a request for hearing, a petition for leave to intervene, any motion or other document filed in the proceeding prior to the submission of a request for hearing or petition to intervene, and documents filed by interested governmental entities participating under 10 CFR 2.315(c), must be filed in accordance with the NRC's E-Filing rule (72 FR 49139; August 28, 2007). The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases to mail copies on electronic storage media. Participants may not submit paper copies of their filings unless they seek an exemption in accordance with the procedures described below.

To comply with the procedural requirements of E-Filing, at least ten 10 days prior to the filing deadline, the participant should contact the Office of the Secretary by email at *hearing.docket@nrc.gov*, or by telephone at 301–415–1677, to request (1) a digital identification (ID) certificate, which allows the participant (or its counsel or representative) to digitally sign documents and access the E-Submittal server for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a request or petition for hearing (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the hearing in this proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on the NRC's public Web site at *http://www.nrc.gov/site-help/e-submittals/getting-started.html.* System requirements for accessing the E-Submittal server are detailed in the NRC's ''Guidance for Electronic Submission,'' which is available on the agency's public Web site at *http://www.nrc.gov/site-help/e-submittals.html.* Participants may attempt to use other software not listed on the Web site, but should note that the NRC's E-Filing system does not support unlisted software, and the NRC Meta System Help Desk will not be able to offer assistance in using unlisted software.

If a participant is electronically submitting a document to the NRC in accordance with the E-Filing rule, the participant must file the document using the NRC's online, Web-based submission form. In order to serve documents through the Electronic Information Exchange System, users will be required to install a Web browser plug-in from the NRC's Web site. Further information on the Web-based submission form, including the installation of the Web browser plug-in, is available on the NRC's public Web site at *http://www.nrc.gov/site-help/e-submittals.html.*

Once a participant has obtained a digital ID certificate and a docket has been created, the participant can then submit a request for hearing or petition for leave to intervene. Submissions should be in Portable Document Format (PDF) in accordance with NRC guidance available on the NRC's public Web site at *http://www.nrc.gov/site-help/e-submittals.html.* A filing is considered complete at the time the documents are submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. Eastern Time on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document and sends the submitter an email notice confirming receipt of the document. The E-Filing system also distributes an email notice that provides access to the document to the NRC's Office of the General Counsel and any others who

have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the documents on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before a hearing request/petition to intervene is filed so that they can obtain access to the document via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the NRC Meta System Help Desk through the ''Contact Us'' link located on the NRC's public Web site at *http://www.nrc.gov/site-help/e-submittals.html*, by email to *MSHD.Resource@nrc.gov,* or by a toll-free call at 1–866–672–7640. The NRC Meta System Help Desk is available between 8 a.m. and 8 p.m., Eastern Time, Monday through Friday, excluding government holidays.

Participants who believe that they have a good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing requesting authorization to continue to submit documents in paper format. Such filings must be submitted by: (1) First class mail addressed to the Office of the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, Attention: Rulemaking and Adjudications Staff; or (2) courier, express mail, or expedited delivery service to the Office of the Secretary, Sixteenth Floor, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852, Attention: Rulemaking and Adjudications Staff. Participants filing a document in this manner are responsible for serving the document on all other participants. Filing is considered complete by first-class mail as of the time of deposit in the mail, or by courier, express mail, or expedited delivery service upon depositing the document with the provider of the service. A presiding officer, having granted an exemption request from using E-Filing, may require a participant or party to use E-Filing if the presiding officer subsequently determines that the reason for granting the exemption from use of E-Filing no longer exists.

Documents submitted in adjudicatory proceedings will appear in the NRC's electronic hearing docket which is available to the public at *http://ehd1.nrc.gov/ehd/*, unless excluded pursuant to an order of the Commission, or the presiding officer. Participants are requested not to include personal privacy information, such as social security numbers, home addresses, or home phone numbers in their filings, unless an NRC regulation or other law requires submission of such information. However, in some instances, a request to intervene will require including information on local residence in order to demonstrate a proximity assertion of interest in the proceeding. With respect to copyrighted works, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, participants are requested not to include copyrighted materials in their submission.

For further details with respect to this action, see the application for license amendment dated June 17, 2015.

Attorney for licensee: General Counsel, Tennessee Valley Authority, 400 West Summit Hill Drive, ET 11A, Knoxville, Tennessee 37902.

NRC Branch Chief: Jessie F. Quichocho.

Dated at Rockville, Maryland, this 10th day of July 2015.

For the Nuclear Regulatory Commission.

Jeanne Dion,

Project Manager, Watts Bar Special Projects Branch, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

[FR Doc. 2015–17645 Filed 7–16–15; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 52–016; NRC–2008–0250]

UniStar Nuclear Energy Combined License Application for Calvert Cliffs Nuclear Power Plant, Unit 3

AGENCY: Nuclear Regulatory Commission.

ACTION: Application for combined license; withdrawal.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is withdrawing the UniStar Nuclear Energy Combined License Application for Calvert Cliffs Nuclear Power Plant, Unit 3. This document is being withdrawn because UniStar requested withdrawal of its application.

DATES: The effective date of the withdrawal of UniStar's combined license application for Calvert Cliffs Nuclear Power Plant, Unit 3 is July 17, 2015.

ADDRESSES: Please refer to Docket ID NRC–2008–0250 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- Federal Rulemaking Web site: Go to *http://www.regulations.gov* and search for Docket ID NRC–2008–0250. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- NRC's Agencywide Documents Access and Management System (ADAMS): You may obtain publicly available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents''* and then select ''*Begin Web-based ADAMS Search.''* For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The ADAMS accession number for each document referenced (if that document is available in ADAMS) is provided the first time that a document is referenced.
- NRC's PDR: You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Surinder Arora, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–1421, email: *Surinder.Arora@nrc.gov.*

SUPPLEMENTARY INFORMATION: By letter dated July 13, 2007 (ADAMS Accession No. ML071980292), as supplemented by letters, dated March 14, 2008 (ADAMS Accession No(s). ML080990114 and ML080780459) and May 15, 2008 (ADAMS Accession No. ML081410279), UniStar Nuclear (UniStar), submitted an application to the NRC for a combined license (COL) for a single unit of the U.S. Evolutionary Power Reactor (U.S. EPR) in accordance with the requirements contained in part 52, ''Licenses, Certifications, and Approvals for Nuclear Power Plants,'' of Title 10 of the *Code of Federal Regulations* (10 CFR). This new reactor was identified as Calvert Cliffs Nuclear Power Plant, Unit 3 (CCNPP3) located in Lusby, in Calvert County, Maryland.

The notices of receipt and availability of the UniStar's COL application were previously published in the **Federal Register** on August 15, 2007 (72 FR 45832) and May 2, 2008 (73 FR 24321). Subsequently a notice announcing the

acceptance for docketing of the partial CCNPP3 COL application in accordance with 10 CFR part 2, ''Agency Rules of Practice and Procedure'' and 10 CFR part 52 was published in the **Federal Register** on January 31, 2008 (73 FR 5877). The docket number established for this application was 52–016.

By letter dated February 27, 2015 (ADAMS Accession No. ML15062A050), UniStar requested that the NRC temporarily suspend review of its COL application for CCNPP3 until further notice. The NRC granted the requested suspension. By its recent letter dated June 8, 2015 (ADAMS Accession No. ML15160A570), UniStar requested withdrawal of its CCNPP3 COL application, including the Safeguards/Security part of the application. Pursuant to the requirements in 10 CFR part 2, the Commission grants UniStar its request to withdraw the CCNPP3 COL application.

Dated at Rockville, Maryland, this 13th day of July 2015.

For the Nuclear Regulatory Commission.

Frank Akstulewicz,

Director, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2015–17652 Filed 7–16–15; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[NRC–2015–0167]

Anticipated Transients That Could Develop Into More Serious Events

AGENCY: Nuclear Regulatory Commission.

ACTION: Draft revision to regulatory issue summary; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is seeking public comment on a draft revision 1 to a regulatory issue summary (RIS). Revision 1 to the RIS would inform addressees of concerns identified during recent license amendment reviews. This draft revision to a RIS is addressed to applicants for, and holders of, nuclear power reactor licenses, construction permits, standard design approvals, and manufacturing licenses, and applicants for standard design certifications. This draft revision to a RIS would inform addressees of concerns identified during recent reviews of anticipated operational occurrences safety analyses of updated final safety analysis reports. Revision 1 to RIS 2005–29 will supersede in its entirety RIS 2005–29.

DATES: Submit comments by September 15, 2015. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received before this date.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0167. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Mail comments to:* Cindy Bladey, Office of Administration, Mail Stop: OWFN–12–H08, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

For additional direction on obtaining information and submitting comments, see ''Obtaining Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Alexandra Popova, Office of Nuclear Reactor Regulation, telephone: 301–415–2876, email: *Alexandra.Popova@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2015–0167 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- *Federal rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2015–0167.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents*'' and then select ''*Begin Web-based ADAMS Search.*'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The draft revision to RIS 2005–29 is available in ADAMS under Accession No. ML15014A469.
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

B. Submitting Comments

Please include Docket ID NRC–2015–0167 in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

The NRC is revising RIS 2005–29 (ML15014A469) to inform addressees of concerns identified during recent license amendment reviews. Specifically, licensing bases, as documented in final safety analysis reports (FSARs), updated FSARs (UFSARs), or design control documents (DCDs), failed to demonstrate that anticipated operational occurrences (AOOs, Condition II events) would not progress to more serious events (Condition III or IV events). The NRC determined that, as a result of these problems, these licensees were not in compliance with Part 50, Appendix A of Title 10 of the *Code of Federal Regulations* (10 CFR), ''General Design Criteria for Nuclear Power Plants,'' specifically, general design criteria (GDC) 15, ''Reactor Coolant System Design,'' GDC 21, ''Protection System Reliability and Testability,'' and GDC 29, ''Protection Against Anticipated Operational Occurrences,'' as well as 10 CFR 50.34(b), ''Final Safety Analysis Report.'' Revision 1 to RIS 2005–29 supersedes in its entirety RIS 2005–29. The revised RIS would be designated as *RIS 2005–29, Revision 1.* The original version of RIS 2005–29 was issued on December 14, 2005, and is available in ADAMS for viewing (ML051890212).

The NRC issues RISs to communicate with stakeholders on a broad range of matters. This may include providing

guidance to applicants and licensees on the scope and detail of information that should be provided in licensing applications to facilitate NRC review.

Proposed Action

The NRC requests public comments on the NRC-proposed revisions to the current RIS. The NRC staff will make a final determination regarding issuance of a revised RIS after it considers any public comments received in response to this request.

Dated at Rockville, Maryland, this 13th day of July 2015.

For the Nuclear Regulatory Commission.

Tanya M. Mensah,

Acting Chief, Generic Communications Branch, Division of Policy and Rulemaking, Office of Nuclear Reactor Regulation.

[FR Doc. 2015–17510 Filed 7–16–15; 8:45 am]

BILLING CODE 7590–01–P

OFFICE OF PERSONNEL MANAGEMENT

Federal Prevailing Rate Advisory Committee; Cancellation of Upcoming Meeting

AGENCY: U.S. Office of Personnel Management.

ACTION: Notice.

SUMMARY: The Federal Prevailing Rate Advisory Committee is issuing this notice to cancel the August 20, 2015, public meeting scheduled to be held in Room 5A06A, U.S. Office of Personnel Management Building, 1900 E Street NW., Washington, DC. The original **Federal Register** notice announcing this meeting was published Monday, December 8, 2014, at 79 FR 72714, with a correction published Wednesday, December 17, 2014, at 79 FR 75189.

FOR FURTHER INFORMATION CONTACT: Madeline Gonzalez, 202–606–2838, or email *pay-leave-policy@opm.gov.*

U.S. Office of Personnel Management.

Sheldon Friedman,

Chairman, Federal Prevailing Rate Advisory Committee.

[FR Doc. 2015–17584 Filed 7–16–15; 8:45 am]

BILLING CODE 6325–49–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* July 16, 2015.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on July 9, 2015, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Contract 133 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2015–67 and CP2015–98.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17529 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on July 8, 2015, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Contract 130 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2015–64, CP2015–95.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17527 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Addition of Competitive International Merchandise Return Service Agreements With Foreign Postal Operators to Competitive Product List

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service hereby provides notice that it has filed a request with the Postal Regulatory Commission to add Competitive International Merchandise Return Service Agreements with Foreign Postal Operators to the competitive product list.

DATES: *Effective date:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Caroline Brownlie, 202–268–3010.

SUPPLEMENTARY INFORMATION: On July 10, 2015, the United States Postal Service® filed with the Postal Regulatory Commission a *Request of the United States Postal Service* to add Competitive International Merchandise Return Service Agreements with Foreign Postal Operators to its Competitive Product List, pursuant to 39 U.S.C. 3642. Documents pertinent to this request are available at *http://www.prc.gov,* Docket No. MC2015–68 and Docket No. CP2015–99.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17532 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on July 8, 2015, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Contract 131 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2015–65, CP2015–96.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17531 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

POSTAL SERVICE

Product Change—Priority Mail Negotiated Service Agreement

AGENCY: Postal Service™.

ACTION: Notice.

SUMMARY: The Postal Service gives notice of filing a request with the Postal Regulatory Commission to add a domestic shipping services contract to the list of Negotiated Service Agreements in the Mail Classification Schedule's Competitive Products List.

DATES: *Effective date:* July 17, 2015.

FOR FURTHER INFORMATION CONTACT: Elizabeth A. Reed, 202–268–3179.

SUPPLEMENTARY INFORMATION: The United States Postal Service® hereby gives notice that, pursuant to 39 U.S.C. 3642 and 3632(b)(3), on July 8, 2015, it filed with the Postal Regulatory Commission a *Request of the United States Postal Service to Add Priority Mail Contract 132 to Competitive Product List.* Documents are available at *www.prc.gov,* Docket Nos. MC2015–66, CP2015–97.

Stanley F. Mires,

Attorney, Federal Compliance.

[FR Doc. 2015–17528 Filed 7–16–15; 8:45 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75439; File No. SR–BYX–2015–32]

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS Y-Exchange, Inc.

July 13, 2015.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 6, 2015, BATS Y-Exchange, Inc. (''Exchange'' or ''BYX'') 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 prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under section 19(b)(3)(A)(ii) of the Act[3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposed rule change effective upon filing with the Commission. 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 Substance of the Proposed Rule Change

The Exchange filed a proposal to amend its fees and rebates applicable to Members[5] and non-Members of the Exchange pursuant to BYX Rule 15.1(a) and (c) (''Fee Schedule'') to modify its fees for physical connectivity. Changes to the fee schedule pursuant to this proposal are effective upon filing.

The text of the proposed rule change is available at the Exchange's Web site at *www.batstrading.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to amend its Fee Schedule to modify its fees for physical connectivity. A physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently maintains a presence in two third-party data centers: (i) The primary data center where the Exchange's business is primarily conducted on a daily basis, and (ii) a secondary data center, which is predominantly maintained for business continuity purposes. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: $1,000 per physical port that connects to the System[6] via 1 gigabyte circuit; and $2,500 per physical port that connects to the System via 10 gigabyte circuit.

The Exchange now proposes to amend its physical connectivity fees to align the Exchange's fees with its affiliates.[7] The Exchange proposes to increase the fee per physical port that connects to the System via: (i) 1 Gigabyte circuit from $1,000 per month to $2,000 per month; and (ii) 10 gigabyte circuit from $2,500 per month to $4,000 per month.

Implementation Date

The Exchange proposes to implement this amendment to its Fee Schedule immediately.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of section 6 of the Act,[8] in general, and furthers the objectives of section 6(b)(4),[9] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The Exchange believes that the proposal represents an equitable allocation of reasonable dues, fees, and other charges as its fees for physical connectivity are reasonably constrained by competitive alternatives. If a particular exchange charges excessive

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

[5] The term ''Member'' is defined as ''any registered broker or dealer that has been admitted to membership in the Exchange.'' *See* Exchange Rule 1.5(n).

[6] The term ''System'' is defined as ''the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away.'' *See* Exchange Rule 1.5(cc).

[7] The Exchange's affiliates are EDGX Exchange, Inc. (''EDGX''), EDGA Exchange, Inc. (''EDGA'') and BATS Exchange, Inc. (''BZX'', together with the Exchange, EDGA and EDGX, the ''BATS Exchanges''). The Exchange notes that each of its affiliates has also filed or will also file proposed rule changes with Commission to adopt similar physical connectivity fees.

[8] 15 U.S.C. 78f.

[9] 15 U.S.C. 78f(b)(4).

fees for connectivity, affected Members and non-Members may opt to terminate their connectivity arrangements with that exchange, and adopt a possible range of alternative strategies, including routing to the applicable exchange through another participant or market center or taking that exchange's data indirectly. Accordingly, if the Exchange charges excessive fees, it would stand to lose not only connectivity revenues but also revenues associated with the execution of orders routed to it, and, to the extent applicable, market data revenues. The Exchange believes that this competitive dynamic imposes powerful restraints on the ability of any exchange to charge unreasonable fees for connectivity.

Furthermore, the proposed rule change is also an equitable allocation of reasonable dues, fees, and other charges as the Exchange believes that the increased fees obtained will enable it to cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems. The additional revenue from the increased fees will also enable the Exchange to continue to maintain and improve its market technology and services. The Exchange believes that the proposed fees for 1 gigabyte circuit of $2,000 per month and for 10 gigabyte circuit of $4,000 per month are reasonable in that they are less than analogous fees charged by the Nasdaq Stock Market LLC (''Nasdaq''), which are $2,500 per month for 1 gigabyte connectivity and range from $10,000–$15,000 per month for 10 gigabyte circuits.[10] In addition, the Exchange proposed physical connectivity fees are designed to align the Exchange's fees with its affiliates.[11]

Finally, the Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members and non-Members. Members and non-Members will continue to choose whether they want more than one physical port and choose the method of connectivity based on their specific needs. All Exchange Members that voluntarily select various service options will be charged the same amount for the same services. As is true of all physical connectivity, all Members and non-Members have the option to select any connectivity option, and there is no differentiation with regard to the fees charged for the service.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange believes that fees for connectivity are constrained by the robust competition for order flow among exchanges and non-exchange markets. Further, excessive fees for connectivity, including port fee access, would serve to impair an exchange's ability to compete for order flow rather than burdening competition. The proposal to increase the fees for physical connectivity would bring the fees charged by the Exchange closer to similar fees charged for physical connectivity by other exchanges.[12]

In addition, the proposed rule change does not impose any burden on intramarket competition as the fees are uniform for all Members and non-Members. The Exchange notes that Members and non-Members also have the ability to obtain access to these services without the need for an independent physical port connection, such as through alternative means of financial extranets and service bureaus that act as a conduit for orders entered by Members and non-Members.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act [13] and paragraph (f) of Rule 19b–4 thereunder.[14] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov*. Please include File Number SR–BYX–2015–32 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–BYX–2015–32. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–BYX–2015–32 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17493 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

[10] *See* Nasdaq Rule 7034(b).

[11] *See supra* note 7.

[12] *See supra* note 10.

[13] 15 U.S.C. 78s(b)(3)(A).

[14] 17 CFR 240.19b–4(f).

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75435; File No. SR–EDGX–2015–32]

Self-Regulatory Organizations; EDGX Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of EDGX Exchange, Inc.

July 13, 2015.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 2, 2015, EDGX Exchange, Inc. (the ''Exchange'' or ''EDGX'') 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 prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under section 19(b)(3)(A)(ii) of the Act[3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposed rule change effective upon filing with the Commission. 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 Substance of the Proposed Rule Change

The Exchange filed a proposal to amend its fees and rebates applicable to Members[5] and non-Members of the Exchange pursuant to EDGX Rule 15.1(a) and (c) (''Fee Schedule'') to: (i) Delete fee codes AA, AM, MT and current footnotes 12 and 13; (ii) amend fee code MM by: (a) Updating its description, (b) deleting current footnote 11, and (c) replacing the fee of $0.00120 per share for orders yielding fee code MM with a rebate of $0.00150 per share for securities priced at or above $1.00; (iii) add new fee code HI and revised footnote 11; and (iv) add new fee code VI.

The text of the proposed rule change is available at the Exchange's Web site at *www.batstrading.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange submitted a proposed rule change with the Commission, for July 6, 2015 effectiveness, to better align certain Exchange rules and system functionality with that currently offered by its affiliate, BATS Exchange, Inc. (''BZX'').[6] In sum, these changes amended: (i) Rule 11.6(l)(1)(B) by replacing the Hide Not Slide Re-Pricing[7] instruction with a Display-Price Sliding[8] instruction; (ii) Rule 11.6(l)(3) to provide that orders with a Non-Displayed[9] instruction and orders of Odd Lot[10] size priced better than the National Best Bid or Offer (''NBBO'') will no longer be ranked at the mid-point of the NBBO; and (iii) Rule 11.8(d) to replace MidPoint Match Orders[11] with MidPoint Peg Orders,[12] the operation of which is identical to the operation of Midpoint Peg Orders on BZX[13] and EDGA.[14] These proposed changes resulted in a change to system functionality concerning the interaction of orders at the midpoint of the NBBO. As a result the above filing, the Exchange proposes the following amendments to its Fee Schedule concerning fees and rebates for orders executed at the midpoint of the NBBO: (i) Delete fee codes AA, AM, MT and current footnotes 12 and 13; (ii) amend fee code MM by: (a) Updating its description, (b) deleting current footnote 11, and (c) replacing the fee of $0.00120 per share for orders yielding fee code MM with a rebate of $0.00150 per share for securities priced at or above $1.00; (iii) add new fee code HI and revised footnote 11; and (iv) add new fee code VI. These amendments are also designed to simplify the fee and rebate structure for orders that execute between the NBBO.

Deletion of Fee Codes AA, AM, MT and Footnotes 12 and 13

The Exchange proposes to delete fee codes AA, AM, MT and related footnotes 12 and 13.

Fee Code AA. The Exchange appends fee code AA to buy and sell MidPoint Match Orders that inadvertently match against each other and share the same MPID (*i.e.,* internalized trade). MidPoint Match Orders yielding fee code AA are charged a fee of $0.00120 per share in securities priced at or above $1.00 and 0.15% of the dollar value in securities priced below $1.00.

The Exchange now proposes to delete fee code AA. As discussed above, EDGX has filed a proposed rule change with the Commission to replace MidPoint Match Orders with MidPoint Peg Orders as of July 6, 2015. Therefore, fee code AA will no longer be necessary as of that date. The Exchange notes that buy and sell MidPoint Peg Orders that inadvertently match against each other and share the same MPID would now yield either fee codes EA or ER, which are currently applied to internalized trades.[15]

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[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

[5] The term ''Member'' is defined as ''any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in section 3(a)(3) of the Act.'' *See* Exchange Rule 1.5(n).

[6] *See* SR–EDGX–2015–30 [sic] *available at www.batstrading.com/regulation/rule_filings/edgx.* A description of the changes proposed in this filing may be found in *BATS EDGX Exchange Modifications, Effective July 6, 2015, available at http://cdn.batstrading.com/resources/release_notes/2015/BATS-EDGX-Exchange-Modifications-Effective-July-6-2015.pdf.* [sic] (''EDGX BZX Harmonization Filing'').

[7] *See* current Rule 11.6(l)(i)(B) for a description of the Hide Not Slide instruction. *See also* the EDGX BZX Harmonization filing, *supra* note 6.

[8] *See id* for a description of the Display-Price Sliding instruction.

[9] *See* Exchange Rule 11.6(e)(2).

[10] *See* Exchange Rule 11.8(s)(2).

[11] A MidPoint Match Order is a non-displayed Market Order or Limit Order with an instruction to execute only at the midpoint of the NBBO. *See* current Exchange Rule 11.8(d).

[12] MidPoint Peg Orders are identical to MidPoint Match Orders but for the following differences: (i) Midpoint Peg Order will be able to execute at prices equal to or better than the midpoint of the NBBO, and not just at the midpoint of the NBBO as is currently the case with MidPoint Match Orders; and (ii) unlike MidPoint Match Orders, MidPoint Peg Orders may be coupled with a Post Only instruction. *See* the EDGX BZX Harmonization Filing, *supra* note 6.

[13] *See* BZX Rule 11.9(c)(9).

[14] *See* EDGA Rule 11.8(d).

[15] Under fee code EA, the side of an internalized trade that adds liquidity is charged a fee a fee of $0.00045 per share in securities priced at or above $1.00 and, like current fee code AA, 0.15% of the dollar value of the execution in securities priced below $1.00. Under fee code ER, the side of an internalized trade that removed liquidity is subject to the same rates as fee code EA. Under both fee codes EA and ER, if a Member adds an ADV of at least 10,000,000 shares, then the Member's rate for

Continued

Fee Code AM and Footnote 12. The Exchange appends fee code AM to orders that add liquidity at the midpoint of the NBBO using: (i) An order with a Non-Displayed instruction; or (ii) an order with a Discretionary Range [16] instruction. Under footnote 12, an order that adds liquidity at the midpoint of the NBBO using an order with a Non-Displayed instruction will receive fee code AM where it receives no price improvement relative to its limit price and executes against the following orders that receive fee code MT: A MidPoint Match order or an order with a Non-Displayed and Post Only [17] instruction. Footnote 12 further states that an order that adds liquidity at the midpoint of the NBBO using an order with a Discretionary Range instruction will receive fee code AM where it executes against a MidPoint Match order. Orders that yield fee code AM pay no fee nor do they receive a rebate in securities priced above or below $1.00.

The Exchange proposes to delete fee code AM and current footnote 12 as they would be no longer necessary due to the EDGX BZX Harmonization Filing. Going forward, an order with a Non-Displayed instruction that adds liquidity at the midpoint of the NBBO and receives price improvement would be eligible to yield proposed fee code HI, which is discussed in detail below and also charges no fee nor provides a rebate in securities priced above or below $1.00. An order with a Non-Displayed instruction that adds liquidity at the midpoint of the NBBO and does not receive price improvement would be eligible to yield existing fee code HA, which is yielded on orders with a Non-Displayed instruction that add liquidity.[18] Under the EDGX BZX Harmonization Filing, an order with a Discretionary Range instruction that is posted to the EDGX Book and executes against an incoming order with a Post Only instruction at the midpoint of the NBBO would pay the applicable fee for removing liquidity and the incoming order would receive the applicable rebate.[19]

Fee Code MT and Footnote 13. The Exchange appends fee code MT to orders that remove liquidity at the midpoint of the NBBO using: (1) A MidPoint Match order; (2) an order with a Hide Not Slide instruction; or (3) an order with a Non-Displayed and Post Only [20] instruction that receives price improvement relative to its limit price. Under footnote 13, an order with a Hide Not Slide instruction that removes liquidity at the midpoint of the NBBO will receive fee code MT if such order also contains a Post Only instruction and the difference between the NBB and NBO is $0.01. Footnote 13 further states that the Exchange will charge the standard fee to remove liquidity to any order with a Hide Not Slide instruction that does not contain a Post Only instruction and to any order with a Hide Not Slide and Post Only instruction that removes liquidity at the midpoint of the NBBO when the difference between the NBB and NBO is larger than $0.01. Orders yielding fee code MT are charged a fee of $0.00120 per share in securities priced at or above $1.00 and 0.30% of the dollar value in securities priced below $1.00.

In the EDGX BZX Harmonization Filing, the Exchange decommissioned the MidPoint Match Order and replaced it with the MidPoint Peg Order. The Exchange also replaced the Hide Not Slide instruction with Display-Price Sliding. As a result of these changes, fee code MT and footnote 13 are no longer necessary as the MidPoint Match Order and Hide Not Slide instruction would no longer be available. As a result of deleting fee code MT, orders that remove liquidity at the midpoint of the NBBO will now be charged EDGX's standard removal rate of $0.00290 per share regardless of the difference between the NBB and NBO.

Fee Code MM and Footnote 11

Currently, fee code MM is applied to orders that add liquidity at the midpoint of the NBBO using: (i) A MidPoint Match Order; (ii) an order with a Hide Not Slide instruction; or (iii) an order with a Non-Displayed instruction. Under footnote 11, an order with a Non-Displayed instruction will receive fee code MM where it receives price improvement relative to its limit price and it executes against the following orders that receive fee code MT: A MidPoint Match Order, an order with a Hide Not Slide instruction and Post Only instruction when the difference between the NBB and NBO is $0.01, or an order with a Non-Displayed and Post Only instruction. Orders yielding fee code MM are charged a fee of $0.0012 per share in securities priced at $1.00 or above and receive a rebate of $0.00003 per share in securities priced below $1.00.

As discussed above, in the EDGX BZX Harmonization Filing the Exchange decommissioned the MidPoint Match Order and replaced it with the MidPoint Peg Order as well as replaced the Hide Not Slide instruction with Display-Price Sliding. As a result of these changes, fee code MM is to be amended to remove references to MidPoint Match Orders and the Hide Not Slide instruction. The Exchange also proposes to amend the description of the of fee code MM to state that fee code MM will be applied to Non-Displayed orders that add liquidity using a MidPoint Peg Order. Footnote 11 is proposed to be deleted as those conditions would no longer be necessary to receive fee code MM. Lastly, the Exchange proposes to replace the fee of $0.00120 per share for orders yielding fee code MM in securities priced at or above $1.00 with a rebate of $0.00150 per share. Orders yielding fee code MM in securities priced below $1.00 would continue to receive a rebate of $0.00003 per share.

In the EDGX BZX Harmonization Filing discussed above, the Exchange decommissioned the MidPoint Match Order and replaced it with the MidPoint Peg Order as well as replaced the Hide Not Slide instruction with Display-Price Sliding. As a result of these changes, fee code MM is being amended to reflect that the MidPoint Match Order and the Hide Not Slide instruction would no longer be available. Going forward, orders with a Non-Displayed instruction that add liquidity and receive price improvement will be eligible to yield proposed fee code HI discussed below. In addition, an order with a Display-Price Sliding instruction that receives price improvement, which may include an execution at the midpoint of the NBBO, would be eligible to yield proposed fee code VI discussed below.

Fee Codes HI, VI and Footnote 11

The Exchange proposes to add new fee code HI and revised footnote 11. Proposed fee code HI will be yielded to orders with a Non-Displayed instruction that add liquidity and receive price improvement, as described below. Such orders that yield fee code HI will pay no fee nor receive a rebate for executions in securities price at or above $1.00 as well as in securities priced below $1.00. Footnote 11 would be appended to fee code HI and would state that fee code HI will not be available to the Reserve Quantity of an order or to orders with a Discretionary Range instruction. Orders with a Non-Displayed instruction that add liquidity that previously received fee code MM will

internalization (fee codes 5, EA or ER) decreases to $0.0001 per share per side. *See* EDGX Fee Schedule *available at http://batstrading.com/support/fee_schedule/edgx/.*

[16] *See* Exchange Rule 11.6(d).

[17] *See* Exchange Rule 11.6(n)(4).

[18] Orders that yield fee code HA receive a rebate of $0.00150 per share in securities priced at or above $1.00 and $0.00003 per share in securities priced below $1.00.

[19] *See* Exchange Rule 11.6(d), as amended by the EDGX BZX Harmonization Filing, *supra* note 6.

[20] *See* Exchange Rule 11.6(n)(4).

now receive fee code HI where they receive price improvement relative to its limit price.

The Exchange also proposes to adopt new fee code VI, which would be yielded on Displayed orders that are subject to price sliding that add liquidity and receive price improvement, as described below. Such orders that yield fee code VI will pay no fee nor receive a rebate for executions in securities price at or above $1.00 as well as in securities priced below $1.00.

As part of the EDGX BZX Harmonization Filing, under Rule 11.10(a)(4)(D) the Exchange will execute the incoming order to sell (buy) against a resting order with a Non-Displayed instruction or an order subject to Display-Price Sliding at one-half minimum price variation less (more) than the price of an order displayed on the EDGX Book. In such case, an order with a Non-Displayed instruction or an order subject to a Display-Price Sliding instruction resting on the EDGX Book would receive price improvement relative to its limit price. Because such resting orders will receive price improvement, the Exchange proposes to execute the orders yielding fee codes HI or VI without providing a rebate or charging a fee. The Exchange believes that price improvement received for executions of orders with a Non-Displayed instruction or subject to Display-Price Sliding (rather than price improvement and a liquidity rebate) is appropriate because the price improvement received will offset the change in the fee structure for such orders. The Exchange notes that BZX also offers fee codes HI and VI on the same terms and for the same rates.[21]

Implementation Date

The Exchange proposes to implement these amendments to its Fee Schedule on July 6, 2015.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of section 6 of the Act,[22] in general, and furthers the objectives of section 6(b)(4),[23] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The proposed fee changes are necessary due to the EDGX BZX Harmonization Filing, which is designed to provide consistent functionality between the Exchange and BZX, thereby reducing complexity and streamlining duplicative functionality, resulting in simpler technology implementation, changes and maintenance by Users of the Exchange that are also participants on BZX. Likewise, the proposed fee changes will streamline its pricing for executions that occur at the midpoint of the NBBO and provide a consistent pricing scheme between the Exchange and BZX, also reducing complexity for Members of the Exchange that are also participants on BZX. The proposed rule changes do not propose to implement new or unique pricing that is not currently available on BZX. As such, the proposed rule change would provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

Specifically, the Exchange believes it is equitable and reasonable to delete fee codes AA, AM, and MT as well as current footnotes 11, 12, and 13, as the functionality necessary to yield these fee codes will be decommissioned or modified as a result of the EDGX BZX Harmonization Filing. As explained above, functionality that is to be retained by the Exchange will be captured under existing fee codes or proposed fee codes HI and VI. For the same reasons, the Exchange also believes it is equitable and reasonable to amend the description of fee code MM to reflect the functionality changes included in the EDGX BZX Harmonization Filing. Furthermore, the Exchange believes it is equitable and reasonable to replace its fee of $0.00120 per share for securities priced above $1.00 with a rebate of $0.00150 per share. The Exchange believes that providing a rebate to MidPoint Peg Orders that add liquidity is a reasonable means by which to incentive Members to provide liquidity at the midpoint of the NBBO. In addition, the Exchange believes that by encouraging the use of MidPoint Peg Orders, Members seeking price improvement would be more motivated to direct their orders to EDGX because they would have a heightened expectation of the availability of liquidity at the midpoint of the NBBO.

Because orders that yield fee codes HI or VI will receive price improvement, the Exchange proposes to execute the orders without providing either a liquidity rebate or charging a fee. The Exchange believes that price improvement received for executions of orders with a Non-Displayed instruction or subject to Display-Price Sliding (rather than price improvement and a liquidity rebate) is appropriate because the price improvement received will offset the change in the fee structure for such orders. The Exchange also believes that proposed fee code VI and HI as well as proposed footnote 11, are equitable and reasonable because they are identical to like named fee codes HI and VI offered by BZX which are offered on the same terms and for the same rate.[24]

(B) Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange notes that the proposal will streamline its pricing for executions that occur at the midpoint of the NBBO and provide a consistent pricing scheme between the Exchange and BZX, thereby reducing complexity for Members of the Exchange that are also participants on BZX. The Exchange believes its streamlined pricing for executions at the midpoint of the NBBO will increase competition amongst the Exchange and its competitors for price improving liquidity. The Exchange believes that providing a rebate to MidPoint Peg Orders that add liquidity under fee code MM will increase competition for liquidity at the midpoint of the NBBO. Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

[21] *See* BZX Fee Schedule *available at http://batstrading.com/support/fee_schedule/bzx/.*

[22] 15 U.S.C. 78f.

[23] 15 U.S.C. 78f(b)(4).

[24] *See supra* note 21.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act [25] and paragraph (f) of Rule 19b–4 thereunder.[26] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–EDGX–2015–32 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–EDGX–2015–32. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–EDGX–2015–32 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[27]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17490 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

[25] 15 U.S.C. 78s(b)(3)(A).

[26] 17 CFR 240.19b–4(f).

[27] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75436; File No. SR–Phlx–2015–55]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Various References to Rule 1080.08

July 13, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 30, 2015, NASDAQ OMX PHLX LLC (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. 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 Substance of the Proposed Rule Change

The Exchange proposes to amend various options rules to reflect the recent renumbering of Rule 1080.08 as Rule 1080.07, as described further below.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaqomxphlx.cchwallstreet.com/*, at the principal office of the Exchange, and at the Commission's Public Reference Room.

[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, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of the filing is to correct various references to Rule 1080.08, which was recently renumbered as Rule 1080.07.[3]

First, the Exchange proposes to amend Rule 1000(b)(14), which defines the term ''professional'' as any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). It further provides that a professional will be treated in the same manner as an off-floor broker-dealer for purposes of Rules 1014(g) (except with respect to all-or-none orders, which will be treated like customer orders, except that orders submitted pursuant to Rule 1080(n) for the beneficial account(s) of professionals with an all-or-none designation will be treated in the same manner as off-floor broker-dealer orders), 1033(e), 1064.02 (except professional orders will be considered customer orders subject to facilitation), 1080(n) and 1080.08 as well as Options Floor Procedure Advices B–6, B–11 [4] and F–5. The reference to Rule 1080.08 is being changed to Rule 1080.07.

Second, the Exchange proposes to amend Rule 1047(f)(ii), which currently provides that after the opening, the Exchange shall reject Market Orders, as defined in Rule 1066(a) (including Complex Orders, as defined in Rule 1080.08, and shall notify Participants of the reason for such rejection. The

[3] *See* Securities Exchange Act Release No. 73719 (December 2, 2014), 79 FR 72740 (December 8, 2014) (SR–Phlx–2014–76).

[4] The Exchange is proposing to delete reference to Options Floor Procedure Advice B–11, which has been deleted. *See* Securities Exchange Act Release No. 69471 (April 29, 2013), 78 FR 26096 (May 3, 2013) (SR–Phlx–2013–09).

reference to Rule 1080.08 is being changed to Rule 1080.07.

Next, the Exchange proposes to amend Rule 1066(f)(7) and (8), which defines various types of multi-leg orders, including Complex Orders and DNA Orders, both of which are defined in Rule 1080.07(a). Accordingly, Rule 1066(f)(7) and (8) are being corrected to properly refer to Rule 1080.07(a) rather than to Rule 1080.08(a).

Finally, the Exchange proposes to amend Rule 1080.07 itself, which contains several references to Rule 1080.08, which are incorrect. Each of the following provisions in Rule 1080 are proposed to be changed to refer to the same subsection in Rule 1080.07: Rule 1080(m)(iii)(A), Rule 1080(n)(i)(C), Rule 1080(n)(ii)(A)(9), Rule 1080.07(a)(i), Rule 1080.07(e)(i)(B)(1), Rule 1080.07(e)(vi)(B), Rule 1080.07(f)(iii)(C)(2), and Rule 1080.07(f)(iii)(C)(4).

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act [5] in general, and furthers the objectives of Section 6(b)(5) of the Act [6] in particular, in that it is designed to promote just and equitable principles of trade by correcting the references to Rule 1080 regarding complex orders, which should help market participants better understand how their orders are handled.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposal merely corrects rule references.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; and (3) by its terms does not become operative for 30 days after the date of this filing, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act [7] and Rule 19b–4(f)(6) thereunder.[8]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–Phlx–2015–55 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–Phlx–2015–55. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–Phlx–2015–55 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17491 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

[5] 15 U.S.C. 78f(b).

[6] 15 U.S.C. 78f(b)(5).

[7] 15 U.S.C. 78s(b)(3)(A).

[8] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires a self-regulatory organization to provide the Commission with written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75442; File No. SR–CBOE–2015–066]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Fees Schedule

July 13, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder, [2] notice is hereby given that, on July 1, 2015, Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') 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 prepared by the Exchange. 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 Substance of the Proposed Rule Change

The Exchange proposes to amend its Fees Schedule. The text of the proposed rule change is available on the

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The Exchange proposes to amend its Fees Schedule, effective July 1, 2015.

On May 11, 2015, the Exchange launched an updated version of the Floor Broker Workstation (''FBW''), (*i.e.,* ''FBW2''). In conjunction with the launch of FBW2, the Exchange submitted a rule filing which provided for a fee waiver for the months of May and June 2015, as well as provided that, after July 1, 2015, the monthly fee for FBW2 login IDs would be waived for the first month.[3] The Exchange also noted in that filing that after July 2015 (and absent an applicable fee waiver noted above), TPHs will be charged each of $400 for FBW and FBW2 (*i.e.,* total of $800) if such users continue to use both FBW and FBW2. The Exchange notes that new features are anticipated to become available on FBW2 in August 2015. In the meanwhile, the Exchange wishes to encourage FBW users to begin (or continue) transitioning to FBW2 logins and provide additional time to become acclimated to FBW2 while still being able to use FBW logins. As such, the Exchange does not wish to charge a TPH $400 for using both FBW and FBW2 login IDs. Accordingly, the Exchange proposes to delete now outdated language and provide that for every FBW login a TPH has, the FBW2 fee will be waived for the months of July 2015 through September 2015 on a one-to-one basis.[4] Additionally, in light of the proposed changes, the Exchange no longer wishes to continue to provide a waiver of the FBW2 fee for the first month for new FBW2 login IDS.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Securities Exchange Act of 1934 (the ''Act'') and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[5] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[6] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitation transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest. Additionally, the Exchange believes the proposed rule change is consistent with Section 6(b)(4) of the Act,[7] which requires that Exchange rules provide for the equitable allocation of reasonable dues, fees, and other charges among its Trading Permit Holders and other persons using its facilities.

In particular, the Exchange believes it is reasonable to provide a waiver of FBW2 fees for each FBW login a TPH has for the months of July 2015 through September 2015 because it encourages users to use and become familiar with the updated FBW2 login IDs while waiting for certain features to be implemented on FBW2. Additionally, the Exchange notes the proposed rule change provides users additional time to become familiar with and fully acclimated to the new FBW functionality. The Exchange believes it is reasonable to eliminate the waiver for the first month for a new login ID currently beginning July 1, 2015, because the Exchange is also providing for additional waivers of FBW2 logins as described above and wants to encourage users to begin transitioning to FBW2 logins prior to the upcoming discontinuation of FBW logins. The Exchange believes the proposed changes are equitable and not unfairly discriminatory because it applies to all users of FBW2.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, because it applies to all Trading Permit Holders. The Exchange believes this proposal will not cause an unnecessary burden on intermarket competition because the proposal only affects trading on CBOE. To the extent that the proposed changes make CBOE a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become CBOE market participants.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[8] and paragraph (f) of Rule 19b–4[9] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission will institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

[3] *See* Securities Exchange Act Release No. 75022 (May 21, 2015), 80 FR 102 [sic] (May 28, 2015) (SR–CBOE–2015–049). The adopted fee for FBW2 is the same as the existing FBW fee (*i.e.,* $400 per month (per login ID).

[4] For example, if a TPH has two FBW logins and two FBW2 logins, the total monthly fee would be $800 ($400 for each FBW login). Another example is if a TPH has two FBW logins and three FBW2 logins, the total monthly fee would be $1,200 ($400 for each FBW login and $400 for the additional FBW2 login).

[5] 15 U.S.C. 78f(b).

[6] 15 U.S.C. 78f(b)(5).

[7] 15 U.S.C. 78f(b)(4).

[8] 15 U.S.C. 78s(b)(3)(A).

[9] 17 CFR 240.19b–4(f).

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–CBOE–2015–066 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–CBOE–2015–066. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CBOE–2015–066 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–17534 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

[10] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75437; File No. SR–BATS–2015–53]

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS Exchange, Inc.

July 13, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 6, 2015, BATS Exchange, Inc. (''Exchange'' or ''BATS'') 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 prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under Section 19(b)(3)(A)(ii) of the Act[3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposed rule change effective upon filing with the Commission. 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 Substance of the Proposed Rule Change

The Exchange filed a proposal to amend its fees and rebates applicable to Members[5] and non-Members of the Exchange pursuant to BZX Rule 15.1(a) and (c) (''Fee Schedule'') to modify its fees for physical connectivity. Changes to the fee schedule pursuant to this proposal are effective upon filing.

The text of the proposed rule change is available at the Exchange's Web site at *www.batstrading.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to amend its Fee Schedule to modify its fees for physical connectivity. A physical port is utilized by a Member or non-Member to connect to the Exchange at the data centers where the Exchange's servers are located. The Exchange currently maintains a presence in two third-party data centers: (i) The primary data center where the Exchange's business is primarily conducted on a daily basis, and (ii) a secondary data center, which is predominantly maintained for business continuity purposes. The Exchange currently assesses the following physical connectivity fees for Members and non-Members on a monthly basis: $1,000 per physical port that connects to the System[6] via 1 gigabyte circuit; and $2,500 per physical port that connects to the System via 10 gigabyte circuit.

The Exchange now proposes to amend its physical connectivity fees to align the Exchange's fees with its affiliates.[7] The Exchange proposes to increase the fee per physical port that connects to the System via: (i) 1 gigabyte circuit from $1,000 per month to $2,000 per month; and (ii) 10 gigabyte circuit from $2,500 per month to $4,000 per month.

Implementation Date

The Exchange proposes to implement this amendment to its Fee Schedule immediately.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

[5] The term ''Member'' is defined as ''any registered broker or dealer that has been admitted to membership in the Exchange.'' *See* Exchange Rule 1.5(n).

[6] The term ''System'' is defined as ''the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away.'' *See* Exchange Rule 1.5(cc).

[7] The Exchange's affiliates are EDGX Exchange, Inc. (''EDGX''), EDGA Exchange, Inc. (''EDGA'') and BATS Y-Exchange, Inc. (''BYX'', together with the Exchange, EDGA and EDGX, the ''BATS Exchanges''). The Exchange notes that each of its affiliates has also filed or will also file proposed rule changes with Commission to adopt similar physical connectivity fees.

the objectives of Section 6 of the Act,[8] in general, and furthers the objectives of Section 6(b)(4),[9] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities. The Exchange also notes that it operates in a highly-competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive. The proposed rule change reflects a competitive pricing structure designed to incent market participants to direct their order flow to the Exchange. The Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members. The Exchange believes the fees and credits remain competitive with those charged by other venues and therefore continue to be reasonable and equitably allocated to Members.

The Exchange believes that the proposal represents an equitable allocation of reasonable dues, fees, and other charges as its fees for physical connectivity are reasonably constrained by competitive alternatives. If a particular exchange charges excessive fees for connectivity, affected Members and non-Members may opt to terminate their connectivity arrangements with that exchange, and adopt a possible range of alternative strategies, including routing to the applicable exchange through another participant or market center or taking that exchange's data indirectly. Accordingly, if the Exchange charges excessive fees, it would stand to lose not only connectivity revenues but also revenues associated with the execution of orders routed to it, and, to the extent applicable, market data revenues. The Exchange believes that this competitive dynamic imposes powerful restraints on the ability of any exchange to charge unreasonable fees for connectivity.

Furthermore, the proposed rule change is also an equitable allocation of reasonable dues, fees, and other charges as the Exchange believes that the increased fees obtained will enable it to cover its increased infrastructure costs associated with establishing physical ports to connect to the Exchange's Systems. The additional revenue from the increased fees will also enable the Exchange to continue to maintain and improve its market technology and services. The Exchange believes that the proposed fees for 1 gigabyte circuit of $2,000 per month and for 10 gigabyte circuit of $4,000 per month are reasonable in that they are less than analogous fees charged by the Nasdaq Stock Market LLC (''Nasdaq''), which are $2,500 per month for 1 gigabyte connectivity and range from $10,000—$15,000 per month for 10 gigabyte circuits.[10] In addition, the Exchange proposed physical connectivity fees are designed to align the Exchange's fees with its affiliates.[11]

Finally, the Exchange believes that the proposed rates are equitable and non-discriminatory in that they apply uniformly to all Members and non-Members. Members and non-Members will continue to choose whether they want more than one physical port and choose the method of connectivity based on their specific needs. All Exchange Members that voluntarily select various service options will be charged the same amount for the same services. As is true of all physical connectivity, all Members and non-Members have the option to select any connectivity option, and there is no differentiation with regard to the fees charged for the service.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. As discussed above, the Exchange believes that fees for connectivity are constrained by the robust competition for order flow among exchanges and non-exchange markets. Further, excessive fees for connectivity, including port fee access, would serve to impair an exchange's ability to compete for order flow rather than burdening competition. The proposal to increase the fees for physical connectivity would bring the fees charged by the Exchange closer to similar fees charged for physical connectivity by other exchanges.[12]

In addition, the proposed rule change does not impose any burden on intramarket competition as the fees are uniform for all Members and non-Members. The Exchange notes that Members and non-Members also have the ability to obtain access to these services without the need for an independent physical port connection, such as through alternative means of financial extranets and service bureaus that act as a conduit for orders entered by Members and non-Members.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[13] and paragraph (f) of Rule 19b–4 thereunder.[14] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov*. Please include File Number SR–BATS–2015–53 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–BATS–2015–53. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the

[8] 15 U.S.C. 78f.

[9] 15 U.S.C. 78f(b)(4).

[10] *See* Nasdaq Rule 7034(b).

[11] *See supra* note 7.

[12] *See supra* note 10.

[13] 15 U.S.C. 78s(b)(3)(A).

[14] 17 CFR 240.19b–4(f).

Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–BATS–2015–53 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17492 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. IC–31714; File No. 812–14336]

Horace Mann Life Insurance Company, et al; Notice of Application

July 13, 2015.

AGENCY: Securities and Exchange Commission (''Commission'').

ACTION: Notice of application for an order approving the substitution of certain securities pursuant to Section 26(c) of the Investment Company Act of 1940, as amended (the ''1940 Act'').

APPLICANTS: Horace Mann Life Insurance Company (''Horace Mann''), and Horace Mann Life Insurance Company Separate Account and Horace Mann Life Insurance Company Qualified Group Annuity Separate Account (collectively, the ''Separate Accounts,'' and together with Horace Mann, the ''Applicants'').

SUMMARY OF APPLICATION: The Applicants seek an order pursuant to Section 26(c) of the 1940 Act approving the substitution of shares issued by certain investment portfolios (the ''Existing Portfolios'') of registered investment companies with shares of certain investment portfolios (the ''Replacement Portfolios'') of registered investment companies, under certain variable annuity contracts (the ''Contracts''), each funded through the Separate Accounts.

DATES: Filing Date: The application was filed on July 25, 2014, and amended on January 14, 2015, and May 27, 2015.

HEARING OR NOTIFICATION OF HEARING: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on August 6, 2015, and should be accompanied by proof of service on applicants, in the form of an affidavit or, for lawyers, a certificate of service. Pursuant to Rule 0–5 under the 1940 Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090; Applicants: Elizabeth E. Arthur, Esq., Maureen Bolinger, Horace Mann Life Insurance Company, One Horace Mann Plaza, Springfield, Illinois 62715.

FOR FURTHER INFORMATION CONTACT: Michael S. Didiuk, Senior Counsel, at (202) 551–6839, or Holly L. Hunter-Ceci, Branch Chief, at (202) 551–6825 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission's Web site by searching for the file number, or an applicant using the Company name box, at *http://www.sec.gov/search/search.htm* or by calling (202) 551–8090.

Applicants' Representations

1. Horace Mann is a stock life insurance company organized under the laws of Illinois. Horace Mann is engaged in the sale of individual and group life insurance and annuity contracts on a non-participating basis. Horace Mann is an indirect wholly owned subsidiary of Horace Mann Educators Corporation, a publicly-held insurance holding company traded on the New York Stock Exchange. Horace Mann established the Horace Mann Life Insurance Company Separate Account on October 9, 1965, under Illinois law, and established the Horace Mann Life Insurance Company Qualified Group Annuity Separate Account on October 16, 2006, under Illinois law.

2. Each of the Separate Accounts meets the definition of ''separate account'' as defined in Section 2(a)(37) of the 1940 Act. The Separate Accounts are registered with the Commission under the 1940 Act as unit investment trusts. The assets of the Separate Accounts support the Contracts, and interests in the Separate Accounts offered through such Contracts have been registered under the Securities Act of 1933 (''1933 Act'') on Form N–4. The application sets forth the registration statement file numbers for the Contracts and the Separate Accounts. Horace Mann is the legal owner of the assets in the Separate Accounts. The assets of the Separate Accounts may not be chargeable with liabilities arising out of any other business of Horace Mann.

3. The Contracts are issued either as individual or group contracts, with group contract participants acquiring certain ownership rights as described in the group contract or plan documents. Contract owners and participants in group contracts (each a ''Contract owner'') may allocate some or all of their Contract value to one or more subaccounts available as investment options under their respective Contract. Each subaccount corresponds to a portfolio of an underlying registered open-end management investment company in which the Separate Account invests. A Contract owner may also invest some or all of his/her Contract value to a fixed account investment option, which is supported by assets of Horace Mann's general account.

4. The Applicants state that under the Contracts, Horace Mann reserves the right to substitute shares of one portfolio for shares of another portfolio if: (i) Shares of a registered open-end management investment company are no longer available for investment by the Separate Account; or (ii) Horace Mann determines that further investments in a registered open-end management investment company are inappropriate in view of the purposes and objectives of a Contract.

5. The Applicants propose the substitution of shares of the Existing Portfolios with shares of the Replacement Portfolios under the Contracts, each funded through the Separate Accounts. The Separate Accounts are segmented into subaccounts, and certain of these subaccounts invest in the Existing Portfolios. Each subaccount's income, gains, and losses, whether or not realized, are credited to or charged against the amounts allocated to that

[15] 17 CFR 200.30–3(a)(12).

subaccount in accordance with the terms of the Contracts without regard to other income, gains, or losses of the remaining subaccounts or of Horace Mann. The Applicants state that the proposed substitutions involve redeeming shares of the Existing Portfolios for cash. The proceeds of such redemptions will then be used to purchase shares of the corresponding Replacement Portfolio, as each subaccount of the Separate Accounts will invest the proceeds of its redemption from the Existing Portfolios in the applicable Replacement Portfolios.

6. Applicants propose, as set forth below, to substitute shares of the Replacement Portfolios for shares of the Existing Portfolios (''Substitutions''):

Sub. No.	Existing portfolio	Replacement portfolio
1	Wilshire Mutual Funds Inc.—Wilshire 5000 Index℠ Fund—Institutional Class	Variable Insurance Products Fund II—Index 500 Portfolio—Service Class 2.
2	Wilshire Mutual Funds Inc.—Wilshire 5000 Index℠ Fund—Investment Class	
3	Variable Insurance Products Fund IIII—Growth & Income Portfolio—Service Class 2	
4	Davis Variable Account Fund, Inc.—Davis Value Portfolio	
5	T. Rowe Price Equity Series, Inc.—T. Rowe Price Equity Income Portfolio—II	
6	Wilshire Large Company Value Portfolio—Investment Class	
7	Fidelity Variable Insurance Products Fund—Growth Portfolio—Service Class 2	
8	Wilshire Mutual Funds Inc.—Wilshire Large Company Growth Portfolio—Institutional Class.	
9	Wilshire Large Company Growth Portfolio—Investment Class	
10	Delaware VIP Trust—Delaware VIP U.S. Growth Series—Service Class	
11	AllianceBernstein Variable Products Series Fund, Inc.—AllianceBernstein Large Cap Growth Portfolio—Class B.	
12	Dreyfus Investment Portfolios—Dreyfus MidCap Stock Portfolio—Service Shares	Calvert VP S&P MidCap 400 Index Portfolio—Class F.
13	Variable Insurance Products Fund III—Mid Cap Portfolio—Service Class 2	
14	Rainier Investment Management Mutual Funds—Rainier Small/Mid Cap Equity Fund—Original Shares.	
15	Aerial Investment Trust—Ariel Appreciation Fund—Investor Class	
16	Goldman Sachs Variable Insurance Trust—Goldman Sachs Mid Cap Value Fund—Service Shares.	
17	American Century Variable Portfolios, Inc.—VP Mid Cap Value Fund—Class 1	
18	Wells Fargo Variable Trust—Wells Fargo Advantage VT Opportunity Fund—Class 2	
19	AllianceBernstein Variable Products Series Fund, Inc.—AllianceBernstein Small/Mid Cap Value Portfolio—Class B.	
20	Aerial Investment Trust—Ariel Fund—Investor Class	
21	Lord Abbet Series Fund, Inc.—Growth Opportunities Portfolio—Class VC	
22	Putnam Variable Trust—Putnam VT Multi-Cap Growth Fund—Class IB	
23	Delaware VIP Trust—Delaware VIP Smid Cap Growth Series—Service Class (formerly Delaware VIP Growth Opportunities Series, Service Class).	
24	Goldman Sachs Variable Insurance Trust—Goldman Sachs Small Cap Equity Insights Fund—Institutional Shares.	Dreyfus Small Cap Stock Index Portfolio—Service Shares.
25	Lazard Retirement Series, Inc.—Lazard Retirement US Small-Mid Cap Equity Portfolio—Service Shares.	
26	Neuberger Berman Equity Funds—Neuberger Berman Genesis Fund—Advisor Class	
27	T. Rowe Price Small-Cap Stock Fund, Inc.—T. Rowe Price Small-Cap Stock Fund—Advisor Class.	
28	T. Rowe Price Small-Cap Value Fund, Inc.—T. Rowe Price Small-Cap Value Fund—Advisor Class.	
29	Wilshire Small Company Value Portfolio—Investment Class	
30	Royce Capital Fund—Royce Small-Cap Portfolio—Investment Class	
31	AllianceBernstein Variable Products Series Fund, Inc.—AllianceBernstein Small Cap Growth Portfolio—Class B.	
32	Wilshire Mutual Funds Inc.—Wilshire Small Company Growth Portfolio—Investment Class.	
33	Delaware VIP Trust—Delaware VIP REIT Series—Service Class	Variable Insurance Products Fund IV—Real Estate Portfolio—Service Class 2.
34	Fidelity Variable Insurance Products Fund—High Income Portfolio—Service Class 2	Franklin Templeton Variable Insurance Products Trust—High Income VIP Fund—Class 2.
35	ALPS Variable Investment Trust—Ibbotson Conservative ETF Asset Allocation Portfolio—Class II.	Fidelity VIP V—FundsManager 20% Portfolio—Service Class 2.
36	ALPS Variable Investment Trust—Ibbotson Income and Growth ETF Asset Allocation Portfolio—Class II.	Fidelity VIP V—FundsManager 50% Portfolio—Service Class 2.
37	ALPS Variable Investment Trust—Ibbotson Balanced ETF Asset Allocation Portfolio—Class II.	Fidelity VIP V—FundsManager 60% Portfolio—Service Class 2.
38	ALPS Variable Investment Trust—Ibbotson Growth ETF Asset Allocation Portfolio—Class II.	Fidelity VIP V—FundsManager 70% Portfolio—Service Class 2.
39	ALPS Variable Investment Trust—Ibbotson Aggressive Growth ETF Asset Allocation Portfolio—Class II.	Fidelity VIP V—FundsManager 85% Portfolio—Service Class 2.
40	Fidelity Variable Insurance Products Fund II—Emerging Markets Portfolio—Service Class 2.	American Funds Insurance Series—New World Fund—Class 4.

7. The Applicants state that the proposed Substitutions involve substituting a Replacement Portfolio for an Existing Portfolio with very similar—and at times, substantially identical—investment objectives, investment strategies, and principal risks and therefore the expectations of Contract owners will continue to be met after the proposed Substitutions. The Applicants state that the performance for the Replacement Portfolios is at least comparable to that of the Existing Portfolios. Additional information for each Existing Portfolio and the corresponding Replacement Portfolio, including investment objectives, principal investment strategies, principal risks, and performance can be found in the application.

8. Applicants represent that Contract owners with Contract value allocated to the subaccounts of the Existing Portfolios will have the same or lower total net annual operating expenses (*i.e.* total annual portfolio operating expenses *after* taking into account any fee waiver or expense reimbursement) after the proposed Substitutions as before the proposed Substitutions (based on the periods covered by the most recent prospectuses for the Existing and Replacement Portfolios), except for the following Substitutions: [1]

Sub. No.	Existing portfolio	Replacement portfolio
37	ALPS Variable Insurance Trust—Ibbotson Balanced ETF Asset Allocation Portfolio.	Fidelity VIP V—FundsManager 60% Portfolio.
38	ALPS Variable Insurance Trust—Ibbotson Growth ETF Asset Allocation Portfolio.	Fidelity VIP V—FundsManager 70% Portfolio.
39	ALPS Variable Insurance Trust—Ibbotson Aggressive Growth ETF Asset Allocation Portfolio.	Fidelity VIP V—FundsManager 85% Portfolio.

Horace Mann represents that it will solicit approval for proposed Substitutions #37, #38 and #39 from the respective Contract owners owning interests in the applicable subaccount.

Further, Applicants represent that each Replacement Portfolio has a combined management and 12b–1 fee that is less than or equal to that of the Existing Portfolio, except for the following Substitution:

Sub. No.	Existing portfolio	Replacement portfolio
1	Wilshire Mutual Funds Inc.—Wilshire 5000 Index℠ Fund	Variable Insurance Products Fund II—Index 500 Portfolio.

Horace Mann represents that it will solicit approval with respect to the Substitution involving the Wilshire 5000 Index℠ Fund from Contract owners owning interests in the subaccount.

9. The Applicants state that the Substitutions proposed are part of an overall business goal of Horace Mann to improve the administrative efficiency and cost effectiveness, as well as the attractiveness to investors, of its Contracts. Horace Mann asserts that it has determined that a more streamlined array of investment options, concentrated in fewer fund families, would permit Horace Mann to lower its costs of administering the Contracts, increase its operational and administrative efficiencies, and create a more manageable investment process for Contract owners.

10. The Applicants represent that Contract owners will also be notified of this Application by means of a prospectus supplement or other communication (''Pre-Substitution Notice'') for each of the Contracts. The Pre-Substitution Notice will notify Contract owners of Horace Mann's intent to implement the Substitutions; will notify Contract owners that Horace Mann has filed this Application to obtain the necessary approval from the Commission to effect the Substitutions; and will set forth the anticipated Substitution Date. In addition, the Pre-Substitution Notice will: (a) Advise Contract owners that Contract values attributable to investments in the Existing Portfolios will be transferred to the Replacement Portfolios, without any charge that would otherwise apply (including sales charges or surrender charges) and without being subject to any limitations on transfers, on the Substitution Date; (b) state that, from May 1, 2015, through the date 30 days after the Substitutions, Contract owners may make one transfer of Contract value from the subaccounts investing in the Existing Portfolios (before the Substitution Date) or the Replacement Portfolios (after the Substitution Date) to any other available investment option under the Contract without any charge that would otherwise apply (including sales charges or surrender charges) and without imposing any transfer limitations; and (c) inform Contract owners that, except as described in the market timing/short-term trading provisions of the relevant prospectus, Horace Mann will not exercise any right it may have under the Contracts to impose additional restrictions on transfers between the subaccounts under the Contracts, including any limitation on the number of transfers permitted, for a period beginning on May 1, 2015, through the date 30 days following the Substitution Date. Applicant further states that at least 30 days before the Substitution Date all affected Contract owners will have received the most recent prospectus for each applicable Replacement Portfolio. Finally, within five (5) business days following the Substitution Date, Contract owners affected by the Substitution will receive a written confirmation that the Substitutions were carried out as previously notified. This confirmation will restate the information set forth in the Pre-Substitution Notice and will include the before and after account values.

11. Each proposed Substitution will take place at relative net asset value determined on the Substitution Date pursuant to Section 22 of the 1940 Act and Rule 22c–1 thereunder, with no change in the amount of any Contract

[1] For Substitution #36 the total annual operating expenses of the Replacement Portfolio for the period covered by the most recent prospectus dated April 30, 2015, were lower than those of the Existing Portfolio for the same period only after taking into account any contractual fee waivers/expense reimbursement applied under the Replacement Portfolio.

owner's Contract value or death benefit or in the dollar value of his or her investments in any of the subaccounts. The procedures to be implemented are sufficient to assure that each Contract owner's cash values immediately after the Substitution will be equal to the cash value immediately before the Substitution. Contract owners will not incur any fees or charges as a result of the Substitutions, nor will their rights or Horace Mann's obligations under the Contracts be altered in any way, and the Substitutions will not change Contract owners' insurance benefits under the Contracts.

12. The proposed Substitution will be effected on the Substitution Date by having the Separate Accounts redeem shares of the Existing Portfolios for cash.[2] The proceeds of such redemptions will then be used to purchase shares of the corresponding Replacement Portfolio, as each subaccount of the Separate Accounts will invest the proceeds of its redemption from the Existing Portfolios in the applicable Replacement Portfolios. Redemption requests and purchase orders will be placed simultaneously so that Contract values will remain fully invested at all times.

13. Horace Mann will pay all expenses incurred in connection with the Substitutions, including legal, accounting, transactional, and other fees and expenses, including brokerage commissions. Contract owners will not incur any fees or charges as a result of the Substitutions, nor will their rights or Horace Mann's obligations under the Contracts be altered in any way, and the Substitutions will not change Contract owners' insurance benefits under the Contracts. The Substitutions will not cause the contract fees and charges currently being paid by Contract owners to be greater after the Substitution than before the Substitution.

14. The Applicants represent that Horace Mann will take further steps to ensure that those Contract owners for whom the total annual operating expense ratio of the Replacement Portfolio was appreciably higher than that of the Existing Portfolio do not incur higher expenses for a period of two years after the Substitution. More specifically, for two years following the Substitution Date, Horace Mann will reimburse those who were Contract owners on the Substitution Date and who, as a result of a Substitution, had Contract value allocated to a subaccount investing in a Replacement Portfolio such that the Replacement Portfolio's net annual operating expenses (taking into account any fee waivers and expense reimbursements) for such period will not exceed, on an annualized basis, the net annual operating expenses (taking into account any fee waivers and expense reimbursements) of the corresponding Existing Portfolio as of the Existing Portfolio's most recent fiscal year preceding the Substitution Date. Any adjustments will be made at least on a quarterly basis.

Legal Analysis

1. Applicants request that the Commission issue an order pursuant to Section 26(c) of the 1940 Act approving the proposed Substitutions. Section 26(c) of the 1940 Act prohibits any depositor or trustee of a unit investment trust that invests exclusively in the securities of a single issuer from substituting the securities of another issuer without the approval of the Commission. Section 26(c) provides that such approval shall be granted by order of the Commission if the evidence establishes that the substitution is consistent with the protection of investors and the purposes of the 1940 Act.

2. The Applicants submit that the Substitutions meet the standards set forth in Section 26(c) and that, if implemented, the Substitutions would not raise any of the concerns that Congress intended to address when the 1940 Act was amended to include this provision. As described in the application, each Replacement Portfolio and its corresponding Existing Portfolio have similar, and in some cases substantially similar or identical, investment objectives and strategies. The application also states that, except for three Substitutions noted in the application, the Existing Portfolios will have the same or lower total net annual operating expenses after the proposed Substitutions as before the proposed Substitutions. The application states further that the Existing Portfolios and the Replacement Portfolios have similar, and in many cases substantially similar, investment policies and risks. Applicants believe that, to the extent that differences in risks and strategies do exist, these differences do not introduce Contract owners to materially greater risks than before the Substitution.

3. Applicants also maintain that the ultimate effect of the Substitutions would be to continue to provide Contract owners with a wide array of investment options and managers, while at the same time increasing administrative efficiencies of the Contracts and streamlining and simplifying the investment line-up available to Contract owners under the affected Contracts.

4. Applicants state that the Contracts and the Contract prospectuses disclose that Horace Mann has reserved the right under the Contracts to substitute shares of another underlying registered open-end management investment company for one of the current underlying registered open-end management investment companies offered as an investment option under the Contracts.

5. Applicants also assert that the proposed Substitutions are not of the type that Section 26(c) was designed to prevent because they will not result in costly forced redemption, nor will they affect other aspects of the Contracts. In the current situation, Contract owners are contractually provided investment discretion during the accumulation phase of the Contracts to allocate and reallocate their Contract value among the investment options available under the Contracts.

6. The proposed Substitutions will offer Contract owners the opportunity to transfer amounts out of the affected subaccounts without any cost or other penalty (other than those necessary to implement policies and procedures designed to detect and deter disruptive transfer and other ''market timing'' activity) that may otherwise have been imposed for a period beginning on May 1, 2015, and ending no earlier than 30 days after the Substitution. Applicants posit that this reduces the likelihood of being invested in an undesired underlying registered open-end management investment company, with the discretion remaining with the Contract owners.

7. Applicants state that the proposed Substitutions are also unlike the type of substitution that Section 26(c) was designed to prevent in that the Substitutions have no impact on other aspects of the Contracts. Specifically, the proposed Substitutions will not affect the type of benefits offered by Horace Mann under the Contracts, or numerous other rights and privileges associated with the Contracts.

[2] To the extent that there are any in-kind redemptions, such redemptions will be effected in accordance with the conditions set forth in the no-action letter issued by the Commission staff to Signature Financial Group (pub. avail. Dec. 28, 1999).

In the event that a Replacement Portfolio or its investment adviser declines to accept, on behalf of the Replacement Portfolio, securities redeemed in-kind by an Existing Portfolio, such Existing Portfolio will instead provide cash equal to the value of the declined securities so that the Contract owner's contract values will not be adversely affected or diluted.

Applicants' Conditions

Applicants agree that any order granting the requested relief will be subject to the following conditions:

1. The Substitutions will not be effected unless the Applicants determine that: (a) The Contracts allow the substitution of shares of registered open-end investment companies in the manner contemplated by the application; (b) the Substitutions can be consummated as described in the application under applicable insurance laws; and (c) any regulatory requirements in each jurisdiction where the Contracts are qualified for sale have been complied with to the extent necessary to complete the Substitutions.

2. The Applicants or their affiliates will pay all expenses and transaction costs of the Substitutions, including legal and accounting expenses, any applicable brokerage expenses and other fees and expenses. No fees or charges will be assessed to the affected Contract owners to effect the Substitutions.

3. The Substitutions will be effected at the relative net asset values of the respective shares in conformity with Section 22(c) of the 1940 Act and Rule 22c–1 thereunder without the imposition of any transfer or similar charges by Applicants. The Substitutions will be effected without change in the amount or value of any Contracts held by affected Contract owners.

4. The Substitutions will in no way alter the tax treatment of affected Contract owners in connection with their Contracts, and no tax liability will arise for Contract owners as a result of the Substitutions.

5. The rights or obligations of the Applicants under the Contracts of affected Contract owners will not be altered in any way. The Substitutions will not adversely affect any riders under the Contracts.

6. Affected Contract owners will be permitted to make at least one transfer of Contract value from the subaccount investing in the Existing Portfolio (before the Substitution Date) or the Replacement Portfolio (after the Substitution Date) to any other available investment option under the Contract without charge for a period beginning at least 30 days before the Substitution Date through at least 30 days following the Substitution Date. Except as described in any market timing/short-term trading provisions of the relevant prospectus, Horace Mann will not exercise any right it may have under the Contracts to impose restrictions on transfers between the subaccounts under the Contracts, including limitations on the future number of transfers, for a period beginning at least 30 days before the Substitution Date through at least 30 days following the Substitution Date.

7. All affected Contract owners will be notified, at least 30 days before the Substitution Date about: (a) The intended substitution of Existing Portfolios with the Replacement Portfolios; (b) the intended Substitution Date; and (c) information with respect to transfers as set forth in Condition 6 above. In addition, the Applicants will also deliver to all affected Contract owners, at least 30 days before the Substitution Date, a prospectus for each applicable Replacement Portfolio.

8. Applicants will deliver to each affected Contract owner within five (5) business days of the Substitution Date a written confirmation which will include: (a) A confirmation that the Substitutions were carried out as previously notified; (b) a restatement of the information set forth in the Pre-Substitution Notice; and (c) before and after account values.

9. For two years following the Substitution Date, Horace Mann will reimburse those who were Contract owners on the Substitution Date and who, as a result of a Substitution, had Contract value allocated to a subaccount investing in a Replacement Portfolio such that the Replacement Portfolio's net annual operating expenses (taking into account any fee waivers and expense reimbursements) for such period will not exceed, on an annualized basis, the net annual operating expenses (taking into account any fee waivers and expense reimbursements) of the corresponding Existing Portfolio as of the Existing Portfolio's most recent fiscal year preceding the Substitution Date. Any adjustments will be made at least on a quarterly basis. In addition, for a period of at least two years following the Substitution Date, the Applicants will not increase the Contract fees and charges—including asset based charges such as mortality and expense risk charges deducted from the subaccounts—that would otherwise be assessed under the terms of Contracts that are in force on the Substitution Date.

For the Commission, by the Division of Investment Management, under delegated authority.

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–17575 Filed 7–16–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75444; File No. SR–NYSE–2015–15]

Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, To Amend NYSE Rule 13 and Related Rules Governing Order Types and Modifiers

July 13, 2015.

I. Introduction

On March 24, 2015, New York Stock Exchange LLC (''Exchange'' or ''NYSE'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend Exchange Rule 13, and related Exchange rules, governing order types and modifiers. The proposed rule change was published for comment in the **Federal Register** on April 14, 2015.[3] On May 14, 2015, the Exchange filed Partial Amendment No. 1 to the proposed rule change [4] On May 27, 2015, pursuant to Section 19(b)(2) of the Act,[5] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[6]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 74678 (April 8, 2015), 80 FR 20053 (''Notice''). Prior to filing this proposal, the Exchange filed a similar proposal to amend Rule 13, and related Exchange rules, governing order types and modifiers. *See* Securities Exchange Act Release No. 73703 (November 28, 2014), 79 FR 72039 (December 4, 2014) (SR–NYSE–2014–59). For that proposal, the Commission extended the time period for action, *see* Securities Exchange Act Release No. 74051 (January 14, 2015), 80 FR 2983 (January 21, 2015) (SR–NYSE–2014–59), and for an almost identical filing of NYSE MKT LLC (''NYSE MKT''), the Commission instituted proceedings to determine whether to approve or disapprove NYSE MKT's proposal, *see* Securities Exchange Act Release No. 74298 (February 18, 2015), 80 FR 9770 (February 24, 2015) (SR–NYSEMKT–2014–95). Prior to the conclusion of those proceedings for NYSE MKT's proposal, both NYSE and NYSE MKT withdrew their respective proposals. *See* Securities Exchange Act Release Nos. 74642 (April 3, 2015), 80 FR 19096 (April 9, 2015) (SR–NYSE–2014–59) and 74643 (April 3, 2015), 80 FR 19102 (April 9, 2015) (SR–NYSEMKT–2014–95).

[4] The Exchange subsequently withdrew Partial Amendment No. 1 on May 20, 2015.

[5] 15 U.S.C. 78s(b)(2).

[6] *See* Securities Exchange Act Release No. 75048, 80 FR 31419 (June 2, 2015). The Commission designated July 13, 2015, as the date by which it should approve, disapprove, or institute

Continued

On July 10, 2015, the Exchange filed Amendment No. 2 to the proposed rule change.[7] The Commission received no comment letters regarding the proposed rule change. The Commission is publishing this notice to solicit comments on Amendment No. 2 from interested persons and is approving the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

II. Description of the Proposal, As Modified by Amendment No. 2

On June 5, 2014, in a speech entitled ''Enhancing Our Market Equity Structure,'' Mary Jo White, Chair of the Commission, requested that the equity exchanges conduct a comprehensive review of their order types and how they operate in practice and, as part of this review, consider appropriate rule changes to help clarify the nature of their order types and how they interact with each other.[8] Subsequent to the Chair's speech, the Commission's Division of Trading and Markets requested that the Exchange complete its review and submit any proposed rule changes.[9]

The Exchange proposes to amend Rule 13 by re-grouping and re-numbering existing order types and order modifiers. The Exchange also proposes to amend Rule 13 to revise the definitions of certain order types and modifiers in both substantive and non-substantive ways and to add text stating that, unless otherwise specified in either Rules 13, 70 (applicable to Exchange Floor brokers), or 104 (applicable to Exchange Designated Market Makers (''DMMs'')), orders and modifiers listed in Rule 13 are available for all Exchange member organizations. The Exchange represents that these revisions are not intended to reflect changes to the functionality of any order type or modifier, but rather to clarify Rule 13 to make it easier to navigate.[10] In addition, the Exchange proposes to amend related Exchange rules to relocate rule text contained in current Rule 13; further explain the functionality of certain Floor broker and DMM interest; further explain the operation of non-displayed interest entered into the Exchange's systems; add, update, or revise cross references; and make other non-substantive technical amendments.

Under the proposal, Rule 13 would be reorganized into six categories: (1) Primary Order Types; (2) Time in Force Modifiers; (3) Auction-Only Orders; (4) Orders with Instructions Not to Display All or a Portion of the Order; (5) Orders with Instructions Not to Route; and (6) Additional Order Instructions and Modifiers. Currently, Rule 13 lists order types and modifiers alphabetically and does not categorize order types and modifiers based on characteristic or function.

A. Primary Order Types

Proposed section (a) of Rule 13 would set forth two primary order types—Market Orders and Limit Orders—and specify which orders are eligible for automatic executions. The Exchange proposes to delete the current definition of ''Auto Ex Order'' and proposes that all orders entered electronically will be eligible for automatic execution. Interest represented manually by a floor broker, however, would not be eligible for automatic execution.

The Exchange is not changing the definition of ''Market Order'' and would replace the current term ''Display Book'' with the proposed term ''Exchange systems.''[11] With respect to Limit Orders, current Rule 13 defines a ''marketable Limit Order'' as ''an order on the Exchange that can be immediately executed; that is, an order to buy priced at or above the Exchange best offer or an order to sell price at or below the Exchange best bid.'' In the proposed rule change, the Exchange proposes to add a definition for a Limit Order as an order to buy or sell a stated amount of a security at a specified price or better. The definition of a ''marketable Limit Order'' would be revised non-substantively so that a marketable Limit Order would be defined as ''a Limit Order to buy (sell) at or above (below) the Exchange best offer (bid) for the security.''

B. Time in Force Modifiers

Proposed section (b) of Rule 13 would set forth three Time in Force modifiers for orders: (1) Day; (2) Good til Cancelled (''GTC'') or Open; and (3) Immediate or Cancel (''IOC''). For Day modifiers, the Exchange proposes to allow only Limit Orders to be designated as Day orders. Currently, any order could be designated as a Day order. For the GTC or Open modifier, the Exchange is proposing to allow only Limit Orders to be designated with the GTC or Open modifier. Currently, any order could be a GTC or Open order.

With respect to IOC modifiers, the Exchange currently has three different modifiers: (1) Regulation NMS-compliant IOC; (2) NYSE IOC; and (3) IOC–MTS (minimum trade size). The Exchange is proposing to make non-substantive changes to the definitions of all three IOC modifiers.[12]

C. Auction-Only Orders

Proposed section (c) of Rule 13 would set forth five Auction-Only Orders: (1) Closing Offset (''CO'') Orders; (2) Limit-on-Close (''LOC'') Orders; (3) Limit-on-Open (''LOO'') Orders; (4) Market-on Close (''MOC'') Orders; and (5) Market-on-Open (''MOO'') Orders. The Exchange is proposing to make non-substantive changes to these definitions.

D. Non-Displayable Orders (All or a Portion of the Order)

Proposed section (d) of Rule 13 contains orders that are partially or fully undisplayed. There are two types of non-displayable orders: (1) Mid-Point Passive Liquidity Orders (''MPL Orders'') and (2) Reserve Orders. The Exchange proposes to make non-substantive changes to the definition of MPL Orders.

With respect to Reserve Orders, the Exchange proposes to make non-substantive changes to the definition. The Exchange also proposes to add new rule text to state that a Minimum Display Reserve Order, which is a Limit Order that has a portion of the interest displayed when the order is or becomes the Exchange best bid or offer (''Exchange BBO'') and a portion not displayed (the reserve interest), would participate in both automatic and manual executions. The Exchange also proposes to add new rule text to state that a Non-Displayed Reserve Order, which is a Limit Order that is not displayed, would not participate in manual executions. The Exchange represents that these changes would reflect how those orders currently operate on the Exchange.[13] Moreover, the Exchange proposes to change the circumstances in which the reserve interest of a Reserve Order would be

proceedings to determine whether to disapprove the proposed rule change.

[7] For a description of the proposals contained within Amendment No. 2, *see infra* Section V.

[8] *See* Mary Jo White, Chair, Commission, Speech at the Sandler, O'Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014), *available at http://www.sec.gov/News/Speech/Detail/Speech/1370542004312.*

[9] *See* Letter from James Burns, Deputy Director, Division of Trading and Markets, Securities and Exchange Commission, to Jeffrey C. Sprecher, Chief Executive Officer, Intercontinental Exchange, Inc., dated June 20, 2014.

[10] *See* Notice, *supra* note 3, 80 FR at 20054.

[11] The Exchange proposes to replace the term ''Display Book'' with ''Exchange systems,'' when the term refers to Exchange systems that receive and execute orders, and with ''Exchange book'' when the term refers to the interest that has been entered and ranked in Exchange systems, as applicable throughout the proposed rule text.

[12] Throughout the proposed rule text, the Exchange proposes to capitalize terms, including, but not limited to, Limit Order and Market Order.

[13] *See* Notice, *supra* note 3, 80 FR at 20055.

available for execution. Currently, the Exchange's rule text specifies that reserve interest of a Non-Displayed Reserve Order is available for execution only after all displayed interest at the price has been executed. The Exchange proposes to amend the rule text to specify that reserve interest of all Reserve Orders is available for execution only after all displayed interest at the price has been executed.

E. Do Not Route Orders

Proposed section (e) of Rule 13 would set forth order modifiers and order types that would not be routed: (1) The Add Liquidity Only (''ALO'') modifier; (2) Do Not Ship (''DNS'') orders; and (3) Intermarket Sweep (''ISO'') orders. For the ALO modifier, the Exchange proposes to make non-substantive changes and to update cross references. The Exchange also proposes to add new rule text to specify that Limit Orders with the ALO modifier may participate in re-openings, but that the ALO designation would be ignored. This proposed change would expand the text of current Rule 13, which states that Limit Orders with the ALO modifier may participate in the Exchange's open or close, but that the ALO designation would be ignored. The Exchange is also proposing to make non-substantive changes to the DNS order and ISO definitions.

F. Other Modifiers

Proposed section (f) of Rule 13 would include the Exchange's other order instructions and modifiers: (1) Do Not Reduce (''DNR'') modifier; (2) Do Not Increase (''DNI'') modifier; (3) Pegging interest; (4) Retail modifier; (5) Self-Trade Prevention (''STP'') modifier; (6) Sell ''Plus''—Buy ''Minus'' instruction; and (7) Stop order. The Exchange proposes to make non-substantive changes to the DNR and DNI modifiers.

With respect to Pegging interest, the Exchange proposes to specify that Pegging interest must be a Floor broker agency interest file (''e-Quote'') or a discretionary e-Quote (''d-Quote'') and proposes to delete the reference to the term ''Primary Pegging Interest'' in proposed Rule 13(f)(3)(B) because the Exchange represents that it only has one form of Pegging interest.[14]

The Exchange proposes to make non-substantive changes to the Retail modifier, STP modifier, and the Sell ''Plus''—Buy ''Minus'' instruction definitions. With respect to the STP modifier, the Exchange proposes to add rule text specifying that the STP modifier is not available for DMM interest, and with respect to Stop orders, the Exchange proposes to make non-substantive changes and to replace the term ''Exchange's automated order routing system'' with ''Exchange systems.''

G. Other Proposed Changes

The Exchange proposes to move the definition of ''Routing Broker'' to Rule 17(c) because the Exchange states that Rule 17(c) governs the operations of Routing Brokers.[15]

The Exchange also proposes to amend the definition of Not Held orders and relocate that definition to Supplementary Material .20 to Rule 13 because the Exchange states that Supplementary material .20 of Rule 13 reflects the obligations that members have in handling customer orders and Not Held instructions are instructions from a customer to a member or member organization regarding the handling of an order.[16] Rule 13 currently defines a Not Held order as a market or limited price order marked ''not held,'' ''disregard tape,'' ''take time,'' ''buy or sell on print,'' or which bears any such qualifying notation. Under the proposed rule change, a Not Held order would refer to an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the member or member organization price and time discretion.

The Exchange proposes several amendments to Rule 70, which governs the execution of Exchange Floor Broker interest. The Exchange proposes to amend Rule 70(a)(i) to (1) delete current rule text indicating that Floor Brokers can only enter e-Quotes at or outside the Exchange BBO because, in Amendment No. 2, the Exchange explains that Floor brokers may use e-Quotes to enter non-displayed orders, such as Non-Display Reserve e-Quotes or MPL Orders, priced between the Exchange BBO, and (2) add rule text stating that e-Quotes would not include unelected Stop Orders, Market Orders, ISOs, GTC modifiers, DNR modifiers, or DNI modifiers. Furthermore, the Exchange proposes to add text to Rule 70.25(a)(ii) explaining that discretionary instructions may include instructions to participate in the Exchange's opening or closing transaction only. The Exchange also proposes to amend Rule 70.25(c) to clarify that certain functionality set forth in the Rule is no longer available. Specifically, Rule 70.25(c)(ii) currently provides that a Floor broker may designate a maximum size of contra-side volume with which it is willing to trade using discretionary pricing instructions. Because this functionality is not available, the Exchange proposes to delete references to the maximum discretionary size parameter from Rules 70.25(c)(ii) and (c)(v). Additionally, the Exchange proposes to amend Rule 70.25(c)(iv) to clarify that the circumstances under which the Exchange would consider interest displayed by other market centers at the price at which a d-Quote may trade are not limited to determining when a d-Quote's minimum or maximum size range is met. Accordingly, the Exchange proposes to delete the clause ''when determining if the d-Quote's minimum and/or maximum size range is met.'' The Exchange also proposes to make non-substantive changes to Rules 70(a)(i) and 70(b)(i) by replacing the term ''Display Book'' with the term ''Exchange systems,'' and in Rule 70(f), the Exchange proposes to update cross references.

The Exchange proposes several amendments to amend Rule 72, which governs the priority of bids and offers and allocation of executions on the Exchange. First, the Exchange proposes to amend Rule 72(c)(i) to (1) replace the term ''reserve interest'' with the term ''non-displayable interest'' so that the rule sets forth that all non-displayable interest, which includes certain types of reserve interest and MPL Orders, trades on parity in accordance with the order allocation provisions of Rule 72 and (2) change the phrase ''the displayed bid (offer)'' to ''displayable bids (offers)'' and change the phrase ''displayed volume'' to ''displayable volume'' to specify that an automatically executing order will trade first with displayable bids (offers) and, if there is insufficient displayable volume to fill the order, will trade next with non-displayable interest. The Exchange also proposes to amend Rule 72(c)(x) to add MPL Orders to the orders identified as being eligible to trade at price points between the Exchange BBO and delete a cross reference to Rule 13.

The Exchange proposes two amendments to Rule 104, which governs the dealings and responsibilities of DMMs. First, the Exchange proposes to add text to Rule 104(b)(ii) explaining that the Exchange's systems will prevent incoming DMM interest from trading with resting DMM interest. Specifically, proposed Rule 104(b)(ii) would now provide that if an incoming DMM interest would trade with resting DMM interest only, the incoming DMM interest would be cancelled, and if the incoming DMM interest would trade with interest other than DMM interest,

[14] *See* Notice, *supra* note 3, 80 FR at 20055.

[15] *See id.*

[16] *See* id.

the resting DMM interest would be cancelled. Furthermore, the Exchange proposes to add new Rule 104(b)(vi) to specify that DMMs may not enter the following orders and modifiers: (1) Market Orders; (2) GTC modifiers; (3) MOO orders; (4) CO orders; (5) MOC orders; (6) LOC orders; (7) DNR modifiers; (8) DNI modifiers; (9) Sell ''Plus''—Buy ''Minus'' instructions; and (10) Stop orders.

Finally, the Exchange proposes to amend Rule 1000, which governs automatic executions, by adding cross references to other Exchange rules applicable to automatic executions in Rule 1000(a).

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[17] In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,[18] which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange represents that it continually assesses its rules governing order types [19] and that this proposal is part of that continued effort to review and clarify its rules governing order types.[20] In addition, the Commission notes that the Exchange asserts that the proposal is consistent with Section 6(b)(5) of the Act because it would, among other things, clarify existing functionality of the Exchange's order types and ensure that Exchange members, regulators, and the public can both more easily navigate the Exchange's rulebook and better understand the order types available for trading on the Exchange.[21]

The Exchange's proposal would restructure and reorganize Rule 13 so that order types with similar functionality are grouped together by subsection. The Commission also notes that the proposal contains several revisions to the Exchange's current rule text to clarify the descriptions of how certain orders, modifiers, and the ''not held'' instruction function and to specify which member organizations can and cannot enter certain order types. The Commission believes that the proposed rule change should provide greater specificity, clarity, and transparency with respect to the order type and modifier functionalities available on the Exchange, as well as the Exchange's methodology for handling certain order types, when compared to the existing rule text today. Accordingly, the Commission believes that the proposal is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest.

IV. Solicitation of Comments on Amendment No. 2

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 2 to the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSE–2015–15 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSE–2015–15. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of this filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSE–2015–15 and should be submitted on or before August 7, 2015.

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 2

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 2, prior to the 30th day after the date of publication of notice of Amendment No. 2 in the **Federal Register**. In Amendment No. 2, the Exchange proposes to add to Rule 13 text that: (1) States that, unless otherwise specified in either Rules 13, 70, or 104, orders and modifiers listed in Rule 13 are available for all Exchange member organizations; and (2) specifies that the STP modifier is not available for DMM interest. The Exchange also proposes to delete a proposed change to the definition of MPL Orders that would have required the Exchange's systems to: (1) Reject an MPL Order on entry if it has a Minimum Triggering Volume larger than the size of the order and (2) to reject a request to partially cancel a resting MPL Order when the partial cancellation would result in a Minimum Triggering Volume that is larger than the size of the order. Furthermore, the Exchange proposes several non-substantive technical amendments to the filing so that the proposed text in Rules 13(a)(1) (definition of Market Order) and 13(d)(1)(A) (definition of MPL Order), and the current Rule 13 text marked for deletion under the present alphabetically listed format, accurately reflect the proposed rule changes to the current rule text and the proposed rule text that is not being changed from the current rule text.

[17] In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[18] 15 U.S.C. 78f(b)(5).

[19] *See* Notice, *supra* note 3, 80 FR at 20053.

[20] *See* Notice, *supra* note 3, 80 FR at 20053–54.

[21] *See* Notice, *supra* note 3, 80 FR at 20056.

The Exchange also proposes to amend Rule 70 to: (1) Delete current rule text in Rule 70(a)(i) indicating that Floor Brokers can only enter e-Quotes at or outside the Exchange BBO; (2) add text to Rule 70(a)(i) stating that e-Quotes shall not include unelected Stop orders, Market Orders, ISOs, GTC modifiers, DNR modifiers, or DNI modifiers; (3) add text to Rule 70.25(a)(ii) explaining that discretionary instructions may include instructions to participate in the Exchange's opening or closing transaction only; (4) make non-substantive changes to Rules 70(a)(i) and 70(b)(i) by replacing the term ''Display Book'' with the term ''Exchange systems;'' and (5) update cross references in Rule 70(f).

The Exchange proposes to amend Rule 72(c)(i) to: (1) Set forth that all non-displayable interest, which includes certain types of reserve interest and MPL Orders, trades on parity; and (2) to change the phrase ''the displayed bid (offer)'' to ''displayable bids (offers)'' and change the phrase ''displayed volume'' to ''displayable volume.'' The Exchange also proposes to amend Rule 72(c)(x) to add MPL Orders to the orders identified as being eligible to trade at price points between the Exchange BBO and delete a cross reference to Rule 13.

The Exchange also proposes to add text to Rule 104(b)(ii) explaining that the Exchange's systems will prevent incoming DMM interest from trading with resting DMM interest. Furthermore, the Exchange proposes to add new Rule 104(b)(vi) to specify that DMMs may not enter the following orders and modifiers: (1) Market Orders; (2) GTC modifiers; (3) MOO orders; (4) CO orders; (5) MOC orders; (6) LOC orders; (7) DNR modifiers; (8) DNI modifiers; (9) Sell ''Plus''—Buy ''Minus'' instructions; and (10) Stop orders.

Finally, the Exchange proposes to amend Rule 1000(a) to provide cross references to other Exchange rules applicable to automatic executions.

The Commission believes that the revisions proposed in Amendment No. 2 do not raise any novel regulatory issues. The Commission further believes that the proposed revisions to the rule text set forth in Amendment No. 2 do not represent any significant changes to the current functionality of the Exchange's order types and modifiers. Rather, these proposed rule text changes primarily help clarify and better explain how the Exchange's order types and modifiers currently operate and interact. For instance, the Commission believes that the Exchange's proposal to add text at the beginning of Rule 13 stating that, unless otherwise specified in Rules 13, 70, or 104, orders and modifiers are available for all member organizations, coupled with the proposed addition of subparagraph (b)(vi) to Rule 104 that specifically enumerates which orders and modifiers a DMM may not enter into the Exchange's systems, should help member organizations better understand which orders and modifiers they can and cannot enter into the Exchange's systems. Therefore, the Commission finds that Amendment No. 2 is consistent with the protection of investors and the public interest.

Accordingly, the Commission finds good cause, pursuant to Section 19(b)(2) of the Act,[22] to approve the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[23] that the proposed rule change (NYSE–2015–15), as modified by Amendment No. 2, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[24]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–17536 Filed 7–16–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75441; File No. SR–NYSEMKT–2015–47]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Allowing the Listing of Options Overlying Portfolio Depositary Receipts and Index Fund Shares That Are Listed Pursuant to Generic Listing Standards on Equities Exchanges for Series of ETFs Based on International or Global Indexes Under Which a Comprehensive Surveillance Sharing Agreement Is Not Required

July 13, 2015.

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the ''Act''),[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on July 2, 2015, NYSE MKT LLC (the ''Exchange'' or ''NYSE MKT'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 Exchange proposes to allow the listing of options overlying portfolio depositary receipts and index fund shares (collectively, ''ETFs'') that are listed pursuant to generic listing standards on equities exchanges for series of ETFs based on international or global indexes under which a comprehensive surveillance sharing agreement is not required. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange is proposing to amend Commentary .06 to Rule 915 (Criteria for Underlying Securities) to list options overlying ETFs that are listed pursuant to generic listing standards on equities exchanges for series of ETFs based on international or global indexes under which a comprehensive surveillance sharing agreement (''CSSA'' or ''comprehensive surveillance agreement'') is not required.[4] This proposal will enable the Exchange to list and trade options on ETFs without a CSSA provided that the ETF is listed on an equities exchange pursuant to the

[22] 15 U.S.C. 78s(b)(2).

[23] 15 U.S.C. 78s(b)(2).

[24] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] *See, e.g.,* NYSE Arca Equities Rule 5.2(j)(3), Commentary .01(a)(B); NYSE MKT Rule 1000, Commentary .03(a)(B); NASDAQ Rule 5705(a)(3)(A)(ii); and BATS Rule 14.11(b)(3)(A)(ii).

generic listing standards that do not require a CSSA pursuant to Rule 19b–4(e) of the Exchange Act.[5] Rule 19b–4(e) provides that the listing and trading of a new derivative securities product by a self-regulatory organization (''SRO'') shall not be deemed a proposed rule change, pursuant to paragraph (c)(1) of Rule 19b–4, if the Commission has approved, pursuant to Section 19(b) of the Act, the SRO's trading rules, procedures and listing standards for the product class that would include the new derivatives securities product, and the SRO has a surveillance program for the product class.[6] In other words, this proposal will amend the listing standards to allow the Exchange to list and trade options on ETFs based on international or global indexes to a similar degree that they are allowed to be listed on several equities exchanges.[7]

Exchange-Traded Funds: Current Commentary .06 to Rule 915

Currently, the Exchange allows for the listing and trading of options on ETFs. Commentary .06 to Rule 915 provides the listings standards for options on ETFs, such as ETFs based on international or global indexes.[8] Commentary .06(b)(i) to Rule 915 requires that any non-U.S. component securities of an index or portfolio of securities on which the Exchange-Traded Fund Shares are based that are not subject to a CSSA do not in the aggregate represent more than 50% of the weight of the index or portfolio. Commentary .06(b)(ii) to Rule 915 requires that any component securities of an index or portfolio of securities on which the Exchange-Traded Fund Shares are based for which the primary market is in any one country that is not subject to a CSSA do not represent 20% or more of the weight of the index. And, Commentary .06(b)(iii) to Rule 915 requires that any component securities of an index or portfolio of securities on which the Exchange-Traded Fund Shares are based for which the primary market is in any two countries that are not subject to a CSSA do not represent 33% or more of the weight of the index.

Generic Listing Standards for Exchange-Traded Funds

The Exchange notes that the Commission has previously approved generic listing standards pursuant to Rule 19b–4(e) of the Exchange Act for ETFs based on indexes that consist of stocks listed on U.S. exchanges.[9] In general, the criteria for the underlying component securities in the international and global indexes are similar to those for the domestic indexes, but with modifications as appropriate for the issues and risks associated with non-U.S. securities. In addition, the Commission has previously approved the listing and trading of ETFs based on international indexes—those based on non-U.S. component stocks, as well as global indexes—those based on non-U.S. and U.S. component stocks.[10]

In approving ETFs for equities exchange trading, the Commission thoroughly considered the structure of the ETFs, their usefulness to investors and to the markets, and SRO rules that govern their trading. The Exchange believes that allowing the listing of options overlying ETFs that are listed pursuant to the generic listing standards on equities exchanges for ETFs based on international and global indexes and applying Rule 19b–4(e) should fulfill the intended objective of that rule by allowing options on those ETFs that have satisfied the generic listing standards to commence trading, without the need for the public comment period and Commission approval. The proposed rule has the potential to reduce the time frame for bringing options on ETFs to market, thereby reducing the burdens on issuers and other market participants. The failure of a particular ETF to comply with the generic listing standards under Rule 19b–4(e) would not, however, preclude the Exchange from submitting a separate filing pursuant to Section 19(b)(2),[11] requesting Commission approval to list and trade options on a particular ETF.

Requirements for Listing and Trading Options Overlying ETFs Based on International and Global Indexes

Options on ETFs listed pursuant to these generic standards for international and global indexes would be traded, in all other respects, under the Exchange's existing trading rules and procedures that apply to options on ETFs and would be covered under the Exchange's surveillance program for options on ETFs.

Pursuant to the proposed rule, the Exchange may list and trade options on an ETF without a CSSA provided that the ETF is listed pursuant to generic listing standards for series of ETFs based on international or global indexes under which a comprehensive surveillance agreement is not required.[12] The Exchange believes that these generic listing standards are intended to ensure that stocks with substantial market capitalization and trading volume account for a substantial portion of the weight of an index or portfolio.

The Exchange believes that this proposed listing standard for options on ETFs is reasonable for international and global indexes, and, when applied in conjunction with the other listing requirements,[13] will result in options overlying ETFs that are sufficiently broad-based in scope and not readily susceptible to manipulation. The Exchange also believes that allowing the Exchange to list options overlying ETFs that are listed on equities exchanges pursuant to generic standards for series of portfolio depositary receipts or index fund shares[14] based on international or global indexes under which a CSSA is not required, will result in options overlying ETFs that are adequately diversified in weighting for any single security or small group of securities to significantly reduce concerns that trading in options overlying ETFs based on international or global indexes could become a surrogate for trading in unregistered securities.

The Exchange believes that ETFs based on international and global

[5] 17 CFR 240.19b–4(e).

[6] When relying on Rule 19b–4(e), the SRO must submit Form 19b–4(e) to the Commission within five business days after the SRO begins trading the new derivative securities products. *See* Securities Exchange Act Release No. 40761 (December 8, 1998), 63 FR 70952 (December 22, 1998).

[7] *See, e.g.,* NYSE Arca Equities Rule 5.2(j)(3) Commentary .01(a)(B); NYSE MKT Rule 1000 Commentary .03(a)(B); NASDAQ Rule 5705(a)(3)(A)(ii) and (b)(3)(A)(ii); and BATS Rule 14.11(b)(3)(A)(ii). *See also* Securities Exchange Act Release Nos. 55621 (April 12, 2007), 72 FR 19571 (April 18, 2007) (SR–NYSEArca–2006–86); 54739 (November 9, 2006), 71 FR 66993 (SR–Amex–2006–78); 55269 (February 9, 2007), 72 FR 7490 (February 15, 2007) (SR–NASDAQ–2006–050).

[8] *See* Commentary .06(b)(i)–(v) to Rule 915, to be re-numbered as proposed Commentary .06(b)(ii)(A)–(E) to Rule 915 as discussed herein.

[9] *See* Commentary .03 to Amex Rule 1000 and Commentary .02 to Amex Rule1000A. See also Securities Exchange Act Release No. 42787 (May 15, 2000), 65 FR 33598 (May 24, 2000).

[10] *See, e.g.,* Securities Exchange Act Release Nos. 50189 (August 12, 2004), 69 FR 51723 (August 20, 2004) (approving the listing and trading of certain Vanguard International Equity Index Funds); 44700 (August 14, 2001), 66 FR 43927 (August 21, 2001) (approving the listing and trading of series of the iShares Trust based on certain S&P global indexes).

[11] 15 U.S.C. 78s(b)(2).

[12] *See* proposed Commentary .06(b)(i) to Rule 915.

[13] All of the other listing criteria under the Exchange's rules will continue to apply to any options listed pursuant to the proposed rule change.

[14] The Exchange notes that the proposed rule text differs slightly from that of other exchanges, with the exception of BATS Exchange, in order to make clear that the rule applies to ETFs that have been listed on equities exchanges pursuant to generic listing standards for series of ''portfolio depositary receipts or index fund shares'' rather than ''portfolio depositary receipts and index fund shares.'' Such difference does not represent a substantive difference from the rules of other exchanges. *See infra* n. 18.

indexes that have been listed pursuant to the generic standards are sufficiently broad-based enough so as to make options overlying such ETFs not susceptible instruments for manipulation. The Exchange believes that the threat of manipulation is sufficiently mitigated for underlying ETFs that have been listed on equities exchanges pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required and for the overlying options, that the Exchange does not see the need for a CSSA to be in place before listing and trading options on such ETFs. The Exchange notes that its proposal does not replace the need for a CSSA as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged in the proposed rule and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. Instead, the proposed rule adds an additional listing mechanism for certain qualifying options on ETFs to be listed on the Exchange.

Finally, the Exchange is also proposing to make several non-substantive changes to the rule text in order to make it easier to read and understand. Specifically, to account for proposed Commentary .06(b)(i) to Rule 915, the Exchange proposes to re-number current Commentary .06(b)(i)-(v) as proposed Commentary .06(b)(ii)(A)-(E), and to make clear that each of the proposed newly numbered paragraphs apply to the series of Exchange-Traded Fund Shares that do not meet the criteria in proposed Commentary .06(b)(i) to Rule 915.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) [15] of the Securities Exchange Act of 1934 (the ''Act''), in general, and furthers the objectives of Section 6(b)(5),[16] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

In particular, the proposed rule change has the potential to reduce the time frame for bringing options on ETFs to market, thereby reducing the burdens on issuers and other market participants. The Exchange also believes that enabling the listing and trading of options on ETFs pursuant to this new listing standard will benefit investors by providing them with valuable risk management tools. The Exchange notes that its proposal does not replace the need for a comprehensive surveillance agreement as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. Instead, proposed Commentary .06(b)(i) to Rule 915 adds an additional listing mechanism for certain qualifying options on ETFs to be listed on the Exchange in a manner that is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange also believes that the proposed non-substantive organizational changes are reasonable, fair, and equitable because they are designed to make the rule easier to comprehend. As noted above, the proposed non-substantive changes do not change the need for a CSSA as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged in the proposed rule and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. These non-substantive changes to the rules are intended to make the rules clearer and less confusing for participants and investors and to eliminate potential confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,[17] the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the proposed rule change is a competitive change that is substantially similar to recent rule changes filed by MIAX Options Exchange (''MIAX''), NASDAQ OMX PHLX LLC (''Phlx''), International Securities Exchange LLC (''ISE''), BOX Options Exchange LLC (''BOX'') and BATS Exchange (''BATS'').[18] Furthermore, the Exchange believes this proposed rule change will benefit investors by providing additional methods to trade options on ETFs, and by providing them with valuable risk management tools. Specifically, the Exchange believes that market participants on the Exchange would benefit from the introduction and availability of options on ETFs in a manner that is similar to equities exchanges and will provide investors with a venue on which to trade options on these products. For all the reasons stated above, the Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, and believes the proposed change will enhance competition

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the proposed rule change does not (i) significantly affect the protection of investors or the public

[15] 15 U.S.C. 78f(b).

[16] 15 U.S.C. 78f(b)(5).

[17] 15 U.S.C. 78f(b)(8).

[18] *See* Securities Exchange Act Release Nos. 74509 (March 13, 2015), 80 FR 14425 (March 19, 2015) (SR–MIAX–2015–04); 74553 (March 20, 2015) 80 FR 16072 (March 26, 2015) (SR–Phlx–2015–27); 74832 (April 29, 2015), 80 FR 25738 (May 5, 2015) (SR–ISE–2015–16); 75132 (June 9, 2015), 80 FR 34175 (June 15, 2015) (SR–BOX–2015–21), 75166, (June 12, 2015), 80 FR 34946 (June 18, 2015) (SR–BATS–2015–43).

interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act [19] and Rule 19b–4(f)(6) thereunder.[20]

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act [21] normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii) [22] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange stated that waiver of the operative delay will permit the Exchange to list and trade certain ETF options on the same basis as other options markets.[23] The Commission believes the waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal operative upon filing.[24]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSEMKT–2015–47 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSEMKT–2015–47. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEMKT–2015–47, and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17495 Filed 7–16–15; 8:45 am]

BILLING CODE 8011–01–P

[19] 15 U.S.C. 78s(b)(3)(A).

[20] 17 CFR 240.19b–4(f)(6). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

[21] 17 CFR 240.19b–4(f)(6).

[22] 17 CFR 240.19b–4(f)(6)(iii).

[23] *See supra* note 18.

[24] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[25] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75433; File No. SR–EDGA–2015–27]

Self-Regulatory Organizations; EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of EDGA Exchange, Inc.

July 13, 2015.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 2, 2015, EDGA Exchange, Inc. (the ''Exchange'' or ''EDGA'') 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 prepared by the Exchange. The Exchange has designated the proposed rule change as one establishing or changing a member due, fee, or other charge imposed by the Exchange under section 19(b)(3)(A)(ii) of the Act [3] and Rule 19b–4(f)(2) thereunder,[4] which renders the proposed rule change effective upon filing with the Commission. 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 Substance of the Proposed Rule Change

The Exchange filed a proposal to amend its fees and rebates applicable to Members [5] of the Exchange pursuant to EDGA Rule 15.1(a) and (c) (''Fee Schedule'') to amend fee code MT, which routes to EDGX Exchange, Inc. (''EDGX'') using the ICMT, IOCM, ROCO or ROUC routing strategy and removes liquidity against MidPoint Match Orders [6] on EDGX by: (i) Revising the description of the orders eligible to yield fee code MT; and (ii) increasing the fee for orders yielding fee code MT.

The text of the proposed rule change is available at the Exchange's Web site at *www.batstrading.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A)(ii).

[4] 17 CFR 240.19b–4(f)(2).

[5] The term ''Member'' is defined as ''any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange. A Member will have the status of a ''member'' of the Exchange as that term is defined in section 3(a)(3) of the Act.'' *See* Exchange Rule 1.5(n).

[6] *See* Exchange Rule 11.8(d).

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes amend fee code MT, which routes to EDGX using the ICMT, IOCM, ROCO or ROUC routing strategy and removes liquidity against MidPoint Match Orders on EDGX by: (i) Revising the description of the orders eligible to yield fee code MT; and (ii) increasing the fee for orders yielding fee code MT.

Description of Fee Code MT

The Exchange proposes to amend the description of fee code MT in two ways. First, the Exchange proposes to replace references to MidPoint Match Orders with MidPoint Peg Orders. This change is in response to a proposed rule change filed with the Commission by EDGX to align certain EDGX functionality with BATS Exchange, Inc. (''BZX'').[7] The EDGX proposed rules change includes replacing MidPoint Match Orders on EDGX with a MidPoint Peg Order type. Therefore, the Exchange proposes to amend the description of fee code MT to replace the reference to MidPoint Match Orders with MidPoint Peg Orders.

Second, the Exchange proposes to remove references to the ROCO and ROUC routing strategies[8] from the description of fee code MT. In sum, both the ROCO and ROUC are routing strategies that check the System[9] for available shares and are then sent to low cost destinations on the System routing table, which currently includes EDGX for these routing strategies. Due to the EDGX fee increase discussed below, both the ROCO and ROUC routing strategies will no longer be routed to EDGX as of July 6, 2015. Therefore, the Exchange proposes to remove references to the ROCO and ROUC routing strategies from the description of fee code MT.

As a result of these two proposed changes, the description of fee code MT will be amended to reflect that it will be appended to orders that are that routed to EDGX using the ICMT or IOCM routing strategy and remove liquidity against MidPoint Peg Orders resting on EDGX.

Fee Code MT Fee Change

In securities priced at or above $1.00, the Exchange currently assesses a fee of $0.00120 per share for Members' orders that yield fee code MT. The Exchange proposes to amend its Fee Schedule to increase this fee to $0.00290 per share. The proposed change would enable the Exchange to pass through the rate that BATS Trading, Inc. (''BATS Trading''), the Exchange's affiliated routing broker-dealer, is charged for routing orders to EDGX when it does not qualify for a reduced fee. The proposed change is in response to EDGX's proposed July 6, 2015 fee change where EDGX has announced that it will delete fee code MT, under which orders that remove liquidity against MidPoint Match Orders were charged a fee of $0.00120 per share.[10] As a result of EDGX deleting its fee code MT, orders that remove liquidity at the midpoint of the NBBO will now be charged EDGX's standard removal rate of $0.00290 per share.[11] When BATS Trading routes to EDGX and removes liquidity against MidPoint Peg Orders resting on EDGX, it will now be charged a standard rate of $0.00290 per share.[12] BATS Trading will pass through this rate to the Exchange and the Exchange, in turn, will pass through to its Members.

Implementation Date

The Exchange proposes to implement these amendments to its Fee Schedule on July 6, 2015.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the objectives of section 6 of the Act,[13] in general, and furthers the objectives of section 6(b)(4),[14] in particular, as it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among its Members and other persons using its facilities.

Description of Fee Code MT

The Exchange believes that its proposal to amend the description of fee code MT represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities because it updates the description of fee code MT to reflect the scenarios under which fee code MT will be appended to an order. The proposed changes are in response to a proposed rule change filed by EDGX with the Commission to replace MidPoint Match Orders on EDGX with the MidPoint Peg Order type.[15] In addition, due to the EDGX July 6, 2015 fee change increase herein,[16] both the ROCO and ROUC routing strategies will no longer be routed to EDGX as of that date. The proposal is reasonable because the updated description would reflect the scenarios under which orders may yield fee code MT as a result of the proposed rule and fee changes proposed by EDGX.[17] Furthermore, the Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

Fee Code MT Fee Change

The Exchange believes that its proposal to increase the fee for Members' orders that yield fee code MT from $0.00120 per share to $0.00290 per share represents an equitable allocation of reasonable dues, fees, and other charges among Members and other persons using its facilities because the Exchange does not levy additional fees or offer additional rebates for orders that it routes to EDGX through BATS Trading. As of July 6, 2015, EDGX will delete its fee to remove liquidity against MidPoint Match Orders of $0.00120 per share, thereby charging orders that remove liquidity at the midpoint of the NBBO its standard removal rate of $0.00290 per share.[18] Therefore, the Exchange believes that its proposal to pass through a fee of $0.00290 per share for orders that yield fee code MT is

[7] *See* SR–EDGX–2015–30 [sic] *available at www.batstrading.com/regulation/rule_filings/edgx.* A description of the changes proposed in this filing may be found in *BATS EDGX Exchange Modifications, Effective July 6, 2015, available at http://cdn.batstrading.com/resources/release_notes/2015/BATS-EDGX-Exchange-Modifications-Effective-July-6-2015.pdf.* [sic]

[8] *See* Exchange Rule 11.11(g).

[9] *See* Exchange Rule 1.5(cc).

[10] *See* Update: BATS EDGX and EDGA Exchange Pricing Updates Effective July 2015, *available at http://cdn.batstrading.com/resources/fee_schedule/2015/BATS-EDGX-and-EDGA-Exchange-Pricing-Updates-Effective-July-2015.pdf.*

[11] *Id.*

[12] The Exchange notes that to the extent BATS Trading does or does not achieve any reduced fee on EDGX, its rate for fee code MT will not change.

[13] 15 U.S.C. 78f.

[14] 15 U.S.C. 78f(b)(4).

[15] *See supra* note 7.

[16] *See supra* note 10.

[17] *See supra* notes 7 and 10.

[18] *Id.*

equitable and reasonable because it accounts for the pricing changes on EDGX. In addition, the proposal allows the Exchange to charge its Members a pass-through rate for orders that are routed to EDGX. Furthermore, the Exchange notes that routing through BATS Trading is voluntary. Lastly, the Exchange also believes that the proposed amendment is non-discriminatory because it applies uniformly to all Members.

(B) Self-Regulatory Organization's Statement on Burden on Competition

These proposed rule changes do not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange does not believe that any of these changes represent a significant departure from previous pricing offered by the Exchange or pricing offered by the Exchange's competitors. Additionally, Members may opt to disfavor EDGA's pricing if they believe that alternatives offer them better value. Accordingly, the Exchange does not believe that the proposed changes will impair the ability of Members or competing venues to maintain their competitive standing in the financial markets. The Exchange believes that its proposal to pass through a fee of $0.00290 per share for Members' orders that yield fee code MT would increase intermarket competition because it offers customers an alternative means to route to EDGX. The Exchange believes that its proposal would not burden intramarket competition because the proposed rate would apply uniformly to all Members. Lastly, the Exchange does not believe the updated description of fee code MT imposes any burden on competition as it is not designed to have a competitive impact. Rather, it is intended to update the description of fee code MT to reflect the scenarios under which an order would be eligible to yield fee code MT as a result of the proposed rule and fee changes proposed by EDGX discussed herein.[19]

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any unsolicited written comments from Members or other interested parties.

[19] *Id.*

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A) of the Act[20] and paragraph (f) of Rule 19b–4 thereunder.[21] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–EDGA–2015–27 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–EDGA–2015–27. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–EDGA–2015–27 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[22]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17488 Filed 7–16–15; 8:45 am]

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[20] 15 U.S.C. 78s(b)(3)(A).

[21] 17 CFR 240.19b–4(f).

[22] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75434; File No. SR–NYSEArca–2015–57]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Adding a Pricing Tier Applicable to Orders of ETP Holders for Tape A, Tape B and Tape C Securities That Are Eligible To Be Routed Away From the Exchange

July 13, 2015.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4[2] thereunder, notice is hereby given that, on June 30, 2015, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. 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 Substance of the Proposed Rule Change

The Exchange proposes to add a pricing tier applicable to orders of ETP Holders for Tape A, Tape B and Tape C Securities that are eligible to be routed away from the Exchange. The Exchange proposes to implement the changes on July 1, 2015. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com*, at the principal office of the Exchange, and at the Commission's Public Reference Room.

[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, the self-regulatory organization 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange proposes to add a pricing tier applicable to orders of ETP Holders for Tape A, Tape B and Tape C Securities that are eligible to be routed away from the Exchange (''Routable Orders'').[3] The Exchange proposes to implement the fee change on July 1, 2015.

The Exchange proposes a new pricing tier called Routable Retail Order Tier pursuant to which ETP Holders would receive a credit of $0.0032 per share for their Routable and non-Routable Orders in Tape A and Tape C Securities that provide liquidity on the Exchange, and a credit of $0.0030 per share for their Routable and non-Routable Orders in Tape B Securities that provide liquidity on the Exchange, if such ETP Holders, including Market Makers, (1) provide liquidity of 0.20% or more of U.S. consolidated average daily volume (''U.S. CADV'') during the billing month across all Tapes, (2) maintain a ratio during the billing month across all Tapes of executed Routable Orders that provide liquidity to total executed provide liquidity of 55% or more, and (3) execute an average daily volume (''ADV'') of Retail Orders[4] that provide liquidity during the billing month that is 0.10% or more of the U.S. CADV. For all other fees and credits, Tiered or Basic Rates apply based on a firm's qualifying levels.

For example, if U.S. CADV during the month is 6.45 billion shares, the ETP Holder would need to provide liquidity of at least 12.9 million shares to satisfy the first threshold (*i.e.*, providing liquidity of 0.20% or more of U.S. CADV during the month), which can include Retail Orders, as well as non-Retail Orders. Additionally, based on a minimum of 12.9 million shares of required provide liquidity, the ETP Holder would need to execute at least 7.095 million Routable Orders that provide liquidity during the month (*i.e.*, maintaining a ratio of executed Routable Orders that provide liquidity to total executed orders of 55% or more). Finally, the ETP Holder would need to execute an ADV of at least 6.45 million Retail Orders that provide liquidity during the month (*i.e.*, executing an ADV of Retail Orders that provide liquidity during the billing month that is 0.10% or more of U.S. CADV).

In connection with the adoption of the Routable Retail Order Tier, the Exchange proposes to revise the Tape B Step Up Tier, Tape C Step Up Tier and Tape C Step Up Tier 2.

Currently, ETP Holders and Market Makers, that, on a daily basis, measured monthly, directly execute providing volume in Tape B Securities during a billing month (''Tape B Adding ADV'') that is equal to at least 0.275% of the U.S. Tape B Consolidated Average Daily Volume (''Tape B CADV'') for the billing month over the ETP Holder's or Market Maker's May 2013 Tape B Adding ADV taken as a percentage of Tape B CADV (''Tape B Baseline % CADV'') receive a credit of $0.0004 per share for orders that provide liquidity to the Exchange in Tape B Securities, which is in addition to the ETP Holder's Tiered or Basic Rate credit(s). The Exchange proposes to specify in the Fee Schedule that ETP Holders that qualify for the Routable Retail Order Tier would not be eligible to qualify for the Tape B Step Up Tier. The Exchange believes that the credit of $0.0030 per share is sufficient that an ETP Holder that qualifies for the Routable Retail Order Tier should not also receive the increased credits applicable to the Tape B Step Up Tier. Similar to Retail Order Tier ETP Holders, Cross-Asset Tier ETP Holders[5] and Market Makers, who are currently ineligible to qualify for the Tape B Step Up Tier, the Exchange proposes to exclude Routable Retail Order Tier ETP Holders from also qualifying for the Tape B Step Up Tier.

Additionally, ETP Holders and Market Makers, that, on a daily basis, measured monthly, directly execute providing volume in Tape C Securities during the billing month (''Tape C Adding ADV'') that is at least the greater of (a) the ETP Holder's or Market Maker's January 2012 Tape C Adding ADV (''Tape C Baseline ADV'') plus 0.10% of US Tape C CADV3 for the billing month or (b) the ETP Holder's or Market Maker's Tape C Baseline ADV plus 20%, subject to the ETP Holders' and Market Makers' total providing liquidity in Tape A, Tape B, and Tape C Securities increasing in an amount no less than 0.03% of US CADV over their January 2012 providing liquidity receive a lower fee of $0.0029 per share for orders that take liquidity from the Book in Tape C Securities. The Exchange proposes to specify in the Fee Schedule that ETP Holders that qualify for the Routable Retail Order Tier would not be eligible to qualify for the Tape C Step Up Tier. The Exchange believes that the credit of $0.0032 per share is sufficient that an ETP Holder that qualifies for the Routable Retail Order Tier should not also receive the reduced fee applicable to the Tape C Step Up Tier. Similar to Retail Order Tier ETP Holders, Routable Order Tier ETP Holders and Market Makers, who are currently ineligible to qualify for the Tape C Step Up Tier, the Exchange proposes to exclude Routable Retail Order Tier ETP Holders from also qualifying for the Tape C Step Up Tier.

Finally, ETP Holders and Market Makers, that, on a daily basis, measured monthly, directly execute Tape C Adding ADV during the billing month that is at least 2 million shares greater than the ETP Holder's or Market Maker's Tape C Adding ADV during Q2 2012, subject to the ETP Holder's or Market Maker's combined providing ADV in Tape A, Tape B, and Tape C Securities during the billing month as a percentage of CADV3 being no less than during Q2 2012 receive a credit of $0.0002 per share, which is in addition to the ETP Holder's Tiered or Basic Rate credit(s). The Exchange proposes to specify in the Fee Schedule that ETP Holders that qualify for the Routable Retail Order Tier would not be eligible to qualify for the Tape C Step Up Tier 2. The Exchange believes that the credit

[3] ETP Holders are able to include an instruction with their orders to determine whether the order will be eligible to route to an away exchange (*e.g.*, to execute against trading interest with a better price than on the Exchange) or, for example, be cancelled if routing would otherwise occur.

[4] Retail Orders are defined in the Fee Schedule as orders designated as retail orders and that meet the requirements of Rule 7.44(a)(3), but that are not executed in the Retail Liquidity Program. The Retail Liquidity Program is a pilot program designed to attract additional retail order flow to the Exchange for NYSE Arca-listed securities and securities traded pursuant to unlisted trading privileges while also providing the potential for price improvement to such order flow. *See* Rule 7.44. *See* Securities Exchange Act Release No. 71176 (December 23, 2013), 78 FR 79524 (December 30, 2013) (SR–NYSEArca–2013–107).

[5] The restriction for Cross-Asset Tier ETP Holders from qualifying for the Tape B Step Up Credit is scheduled to be implemented on July 1, 2015, subject to the Commission's publication of the notice for immediate effectiveness of SR–NYSE Arca–2015–55, filed by the Exchange on June 24, 2015 (''July Fee Filing''). Exhibit 5 of the instant filing reflects the rule text proposed in the July Fee Filing.

of $0.0030 per share is sufficient that an ETP Holder that qualifies for the Routable Retail Order Tier should not also receive the increased credits applicable to the Tape C Step Up Tier 2. Similar to Retail Order Tier ETP Holders, Routable Order Tier ETP Holders and Market Makers, who are currently ineligible to qualify for the Tape C Step Up Tier 2, the Exchange proposes to exclude Routable Retail Order Tier ETP Holders from also qualifying for the Tape C Step Up Tier 2.

The Exchange believes that the proposal would create an added incentive for ETP Holders to bring additional order flow to a public market.

The proposed changes are not otherwise intended to address any other issues, and the Exchange is not aware of any problems that ETP Holders would have in complying with the proposed changes.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,[6] in general, and furthers the objectives of Sections 6(b)(4) and (5) of the Act,[7] in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange believes that the proposed fee change is reasonable because the proposed Routable Retail Order Tier would contribute to incentivizing ETP Holders to submit additional orders on the Exchange that are eligible to be routed away from the Exchange. The Exchange believes the proposed fee change would increase the liquidity available on the Exchange because, if a Routable Order were routed and returned unexecuted, the order would be available for execution on the Exchange. Therefore, the Exchange believes that Routable Orders add to the quality of the Exchange's market because they may provide liquidity on the Exchange of a longer duration. The Routable Retail Order Tier therefore would support the quality of price discovery and promote market transparency, thereby benefiting all market participants. In this regard, the Exchange believes that the rate proposed for the Routable Retail Order Tier is reasonable because it takes into account the amount of Routable Orders that an ETP Holder would be required to execute on the Exchange during a month. The Exchange believes the proposed fee change is reasonable, equitable and not unfairly discriminatory because the Routable Retail Order Tier pricing would apply to executions of Tape A, Tape B and Tape C Securities, and the Exchange notes that these credits are available on other tiers (*e.g.*, $.0.0032 credit for Tape A and C Securities with Arca's Routable Tier, and $0.0030 credit for Tape B Securities with Cross-Asset Tier). Furthermore, the Exchange believes it is reasonable and equitable to apply the Routable Retail Order Tier to Routable and non-Routable Orders of a qualifying ETP Holder because this would create a further incentive for ETP Holders to submit Routable Orders to the Exchange. This is also true because the thresholds applicable to the Routable Retail Order Tier pertain to liquidity that consists of Routable Orders as well as the overall liquidity of an ETP Holder, including non-Routable Orders.

Furthermore, the Exchange believes that the proposed Routable Retail Order Tier is equitable and not unfairly discriminatory because all ETP Holders have the ability to designate their orders as Routable Orders. Additionally, the proposed credit of $0.0032 per share in Tape A and Tape C Securities, and $0.0030 per share in Tape B Securities, for Routable Orders that provide liquidity to the Exchange would be available to all ETP Holders that qualify for the Routable Retail Order Tier. The proposed thresholds are also equitable and not unfairly discriminatory because they are based on objective criteria and the same criteria would be applicable to all ETP Holders.

The Exchange believes that prohibiting Routable Retail Order Tier ETP Holders from qualifying for the Tape B Step Up Tier is reasonable, equitable and not unfairly discriminatory because ETP Holders that qualify for the Routable Retail Order Tier would already receive a higher credit of $0.0030 before the Tape B Step Up Credit, which is higher than other tiers with the Tape B Step Up credit. For example, Tier 1 ETP Holders that qualify for Tape B Step Up Tier would receive a Tier 1 credit of $0.0023 plus a Tape B Step Up credit of $0.0004 for a total credit of $0.0027, compared with the standalone Routable Retail Order Tier credit of $0.0030. The Exchange notes that Retail Order ETP Holders, Cross-Asset Tier ETP Holders and Market Makers currently do not qualify for Tape B Step Up Tier credit.

The Exchange further believes that prohibiting Routable Retail Order Tier ETP Holders from qualifying for the Tape C Step Up Tier is reasonable, equitable and not unfairly discriminatory because ETP Holders that qualify for the Routable Retail Order Tier would already receive a higher credit of $0.0032 before the Tape C Step Up Credit, which is higher than other tiers that can qualify for the Tape C Step Up credit. For example, Tier 1 ETP Holders that qualify for Tape C Step Up Tier would receive a Tier 1 credit of $0.0030 for orders that provide liquidity, plus a lower Tape C Step Up fee of $0.0029 for orders that take liquidity from the Book in Tape C Securities, compared with the standalone Routable Retail Order Tier credit of $0.0032 for orders that provide liquidity and a fee of $0.0030 share for orders that take liquidity from the Book in Tape C Securities. The Exchange notes that Retail Order ETP Holders, Routable Order Tier ETP Holders and Market Makers currently do not qualify for Tape C Step Up Tier credit.

Finally, the Exchange believes that prohibiting Routable Retail Order Tier ETP Holders from qualifying for the Tape C Step Up Tier 2 is reasonable, equitable and not unfairly discriminatory because ETP Holders that qualify for the Routable Retail Order Tier would already receive a higher credit of $0.0032 before the Tape C Step Up 2 Credit, which is higher than other tiers with the Tape C Step Up 2 credit. For example, Tier 1 ETP Holders that qualify for Tape C Step Up 2 Tier would receive a Tier 1 credit of $0.0030 plus a Tape C Step Up 2 credit of $0.0002 for a total credit of $0.0032, which is comparable to the standalone Routable Retail Order Tier credit of $0.0032. The Exchange notes that Retail Order ETP Holders, Routable Order Tier ETP Holders and Market Makers currently do not qualify for Tape C Step Up Tier 2 credit.

Finally, the Exchange believes that it is subject to significant competitive forces, as described below in the Exchange's statement regarding the burden on competition. For these reasons, the Exchange believes that the proposal is consistent with the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,[8] the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. Instead, the Exchange believes that the proposed fee change will encourage competition, including by attracting additional

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(4) and (5).

[8] 15 U.S.C. 78f(b)(8).

liquidity to the Exchange, which will make the Exchange a more competitive venue for, among other things, order execution and price discovery. In general, ETP Holders impacted by the proposed change may readily adjust their trading behavior to maintain or increase their credits or decrease their fees in a favorable manner, and will therefore not be disadvantaged in their ability to compete. Specifically, an ETP Holder could qualify for the proposed new Routable Retail Order Type by providing sufficient liquidity to satisfy the applicable proposed volume requirements. Additionally, all ETP Holders have the ability to designate their orders as Routable Orders and therefore any ETP Holder could qualify for the proposed Routable Retail Order Tier by satisfying the proposed liquidity thresholds.

Finally, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change promotes a competitive environment.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) [9] of the Act and subparagraph (f)(2) of Rule 19b–4 [10] thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) [11] of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov. Please include File Number SR–NYSEArca–2015–57 on the subject line.*

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSEArca–2015–57. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEArca–2015–57 and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[12]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17489 Filed 7–16–15; 8:45 am]

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[9] 15 U.S.C. 78s(b)(3)(A).

[10] 17 CFR 240.19b–4(f)(2).

[11] 15 U.S.C. 78s(b)(2)(B).

[12] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75440; File No. SR–NYSEArca–2015–60]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Allowing the Listing of Options Overlying Portfolio Depositary Receipts and Index Fund Shares That are Listed Pursuant to Generic Listing Standards on Equities Exchanges for Series of ETFs Based on International or Global Indexes Under Which a Comprehensive Surveillance Sharing Agreement Is Not Required

July 13, 2015.

Pursuant to section 19(b)(1) [1] of the Securities Exchange Act of 1934 (the ''Act''),[2] and Rule 19b–4 thereunder,[3] notice is hereby given that on July 2, 2015, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. 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 Exchange proposes to allow the listing of options overlying portfolio depositary receipts and index fund shares (collectively, ''ETFs'') that are listed pursuant to generic listing standards on equities exchanges for series of ETFs based on international or global indexes under which a comprehensive surveillance sharing agreement is not required. The text of the proposed rule change is available on the Exchange's Web site at *www.nyse.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 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, the self-regulatory organization 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 those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

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

1. Purpose

The Exchange is proposing to amend Rule 5.3(g) (Criteria for Underlying Securities) to list options overlying ETFs that are listed pursuant to generic listing standards on equities exchanges for series of ETFs based on international or global indexes under which a comprehensive surveillance sharing agreement (''CSSA'' or ''comprehensive surveillance agreement'') is not required.[4] This proposal will enable the Exchange to list and trade options on ETFs without a CSSA provided that the ETF is listed on an equities exchange pursuant to the generic listing standards that do not require a CSSA pursuant to Rule 19b–4(e) of the Exchange Act.[5] Rule 19b–4(e) provides that the listing and trading of a new derivative securities product by a self-regulatory organization (''SRO'') shall not be deemed a proposed rule change, pursuant to paragraph (c)(1) of Rule 19b–4, if the Commission has approved, pursuant to section 19(b) of the Act, the SRO's trading rules, procedures and listing standards for the product class that would include the new derivatives securities product, and the SRO has a surveillance program for the product class.[6] In other words, this proposal will amend the listing standards to allow the Exchange to list and trade options on ETFs based on international or global indexes to a similar degree that they are allowed to be listed on several equities exchanges.[7]

Exchange-Traded Funds: Current Rule 5.3(g)

Currently, the Exchange allows for the listing and trading of options on ETFs. Rule 5.3(g) provides the listings standards for options on ETFs, such as ETFs based on international or global indexes.[8] Rule 5.3(g)(2)(A) requires that any non-U.S. component securities in an index or portfolio of securities on which the Fund Shares are based that are not subject to a CSSA do not in the aggregate represent more than 50% of the weight of the index or portfolio. Rule 5.3(g)(2)(B) requires that any component securities of an index or portfolio of securities on which Fund Shares are based for which the primary market is in any one country that is not subject to a CSSA do not represent 20% or more of the weight of the index. And, Rule 5.3(g)(2)(C) requires that any component securities of an index or portfolio of securities on which Fund Shares are based for which the primary market is in any two countries that are not subject to a CSSA do not represent 33% or more of the weight of the index.

Generic Listing Standards for Exchange-Traded Funds

The Exchange notes that the Commission has previously approved generic listing standards pursuant to Rule 19b–4(e) of the Exchange Act for ETFs based on indexes that consist of stocks listed on U.S. exchanges.[9] In general, the criteria for the underlying component securities in the international and global indexes are similar to those for the domestic indexes, but with modifications as appropriate for the issues and risks associated with non-U.S. securities. In addition, the Commission has previously approved the listing and trading of ETFs based on international indexes—those based on non-U.S. component stocks, as well as global indexes—those based on non-U.S. and U.S. component stocks.[10]

In approving ETFs for equities exchange trading, the Commission thoroughly considered the structure of the ETFs, their usefulness to investors and to the markets, and SRO rules that govern their trading. The Exchange believes that allowing the listing of options overlying ETFs that are listed pursuant to the generic listing standards on equities exchanges for ETFs based on international and global indexes and applying Rule 19b–4(e) should fulfill the intended objective of that rule by allowing options on those ETFs that have satisfied the generic listing standards to commence trading, without the need for the public comment period and Commission approval. The proposed rule has the potential to reduce the time frame for bringing options on ETFs to market, thereby reducing the burdens on issuers and other market participants. The failure of a particular ETF to comply with the generic listing standards under Rule 19b–4(e) would not, however, preclude the Exchange from submitting a separate filing pursuant to section 19(b)(2),[11] requesting Commission approval to list and trade options on a particular ETF.

Requirements for Listing and Trading Options Overlying ETFs Based on International and Global Indexes

Options on ETFs listed pursuant to these generic standards for international and global indexes would be traded, in all other respects, under the Exchange's existing trading rules and procedures that apply to options on ETFs and would be covered under the Exchange's surveillance program for options on ETFs.

Pursuant to the proposed rule, the Exchange may list and trade options on an ETF without a CSSA provided that the ETF is listed pursuant to generic listing standards for series of ETFs based on international or global indexes under which a comprehensive surveillance agreement is not required.[12] The Exchange believes that these generic listing standards are intended to ensure that stocks with substantial market capitalization and trading volume account for a substantial

[4] *See, e.g.,* NYSE Arca Equities Rule 5.2(j)(3), Commentary .01(a)(B); NYSE MKT Rule 1000, Commentary .03(a)(B); NASDAQ Rule 5705(a)(3)(A)(ii); and BATS Rule 14.11(b)(3)(A)(ii).

[5] 17 CFR 240.19b–4(e).

[6] When relying on Rule 19b–4(e), the SRO must submit Form 19b–4(e) to the Commission within five business days after the SRO begins trading the new derivative securities products. *See* Securities Exchange Act Release No. 40761 (December 8, 1998), 63 FR 70952 (December 22, 1998).

[7] *See, e.g.,* NYSE Arca Equities Rule 5.2(j)(3) Commentary .01(a)(B); NYSE MKT Rule 1000 Commentary .03(a)(B); NASDAQ Rule 5705(a)(3)(A)(ii) and (b)(3)(A)(ii); and BATS Rule 14.11(b)(3)(A)(ii). *See also* Securities Exchange Act Release Nos. 55621 (April 12, 2007), 72 FR 19571 (April 18, 2007) (SR–NYSEArca–2006–86); 54739 (November 9, 2006), 71 FR 66993 (SR–Amex–2006–78); 55269 (February 9, 2007), 72 FR 7490 (February 15, 2007) (SR–NASDAQ–2006–050).

[8] *See* Rule 5.3(g)(2)(A)–(D), to be re-numbered as proposed Rule 5.3(g)(2)(B)(i)–(iv) as discussed herein.

[9] *See* Commentary .03 to Amex Rule 1000 and Commentary .02 to Amex Rule 1000A. See also Securities Exchange Act Release No. 42787 (May 15, 2000), 65 FR 33598 (May 24, 2000).

[10] *See, e.g.,* Securities Exchange Act Release Nos. 50189 (August 12, 2004), 69 FR 51723 (August 20, 2004) (approving the listing and trading of certain Vanguard International Equity Index Funds); 44700 (August 14, 2001), 66 FR 43927 (August 21, 2001) (approving the listing and trading of series of the iShares Trust based on certain S&P global indexes).

[11] 15 U.S.C. 78s(b)(2).

[12] *See* proposed Rule 5.3(g)(2)(A).

portion of the weight of an index or portfolio.

The Exchange believes that this proposed listing standard for options on ETFs is reasonable for international and global indexes, and, when applied in conjunction with the other listing requirements,[13] will result in options overlying ETFs that are sufficiently broad-based in scope and not readily susceptible to manipulation. The Exchange also believes that allowing the Exchange to list options overlying ETFs that are listed on equities exchanges pursuant to generic standards for series of portfolio depositary receipts or index fund shares [14] based on international or global indexes under which a CSSA is not required, will result in options overlying ETFs that are adequately diversified in weighting for any single security or small group of securities to significantly reduce concerns that trading in options overlying ETFs based on international or global indexes could become a surrogate for trading in unregistered securities.

The Exchange believes that ETFs based on international and global indexes that have been listed pursuant to the generic standards are sufficiently broad-based enough so as to make options overlying such ETFs not susceptible instruments for manipulation. The Exchange believes that the threat of manipulation is sufficiently mitigated for underlying ETFs that have been listed on equities exchanges pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required and for the overlying options, that the Exchange does not see the need for a CSSA to be in place before listing and trading options on such ETFs. The Exchange notes that its proposal does not replace the need for a CSSA as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged in the proposed rule and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. Instead, the proposed rule adds an additional listing mechanism for certain qualifying options on ETFs to be listed on the Exchange.

Finally, the Exchange is also proposing to make several non-substantive changes to the rule text in order to make it easier to read and understand. Specifically, the Exchange is proposing to move Rule 5.3(g)(1)(C) (regarding Commodity Pool Units) to become Rule 5.3(g)(2)(B)(v). In addition, to account for proposed Rule 5.3(g)(2)(A), the Exchange proposes to re-number paragraphs (g)(2)(A)–(D) as paragraphs (g)(2)(B)(i)–(iv), and to make clear that each of the proposed newly numbered paragraphs (*i.e.,* Rule 5.3(g)(2)(B)(i)–(v)) apply to the series of Exchange-Traded Fund Shares that do not meet the criteria in proposed Rule 5.3(g)(2)(A).

2. Statutory Basis

The proposed rule change is consistent with section 6(b) [15] of the Securities Exchange Act of 1934 (the ''Act''), in general, and furthers the objectives of section 6(b)(5),[16] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system and, in general, to protect investors and the public interest.

In particular, the proposed rule change has the potential to reduce the time frame for bringing options on ETFs to market, thereby reducing the burdens on issuers and other market participants. The Exchange also believes that enabling the listing and trading of options on ETFs pursuant to this new listing standard will benefit investors by providing them with valuable risk management tools. The Exchange notes that its proposal does not replace the need for a comprehensive surveillance agreement as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. Instead, proposed Rule 5.3(g)(2)(A) adds an additional listing mechanism for certain qualifying options on ETFs to be listed on the Exchange in a manner that is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange also believes that the proposed non-substantive organizational changes are reasonable, fair, and equitable because they are designed to make the rule easier to comprehend. As noted above, the proposed non-substantive changes do not change the need for a CSSA as provided in the current rule. The provisions of the current rule, including the need for a CSSA, remain materially unchanged in the proposed rule and will continue to apply to options on ETFs that are not listed on an equities exchange pursuant to generic listing standards for series of portfolio depositary receipts or index fund shares based on international or global indexes under which a comprehensive surveillance agreement is not required. These non-substantive changes to the rules are intended to make the rules clearer and less confusing for participants and investors and to eliminate potential confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with section 6(b)(8) of the Act,[17] the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. To the contrary, the proposed rule change is a competitive change that is substantially similar to recent rule changes filed by MIAX Options Exchange (''MIAX''), NASDAQ OMX PHLX LLC (''Phlx''), International Securities Exchange LLC (''ISE''), BOX

[13] All of the other listing criteria under the Exchange's rules will continue to apply to any options listed pursuant to the proposed rule change.

[14] The Exchange notes that the proposed rule text differs slightly from that of other exchanges, with the exception of BATS Exchange, in order to make clear that the rule applies to ETFs that have been listed on equities exchanges pursuant to generic listing standards for series of ''portfolio depositary receipts or index fund shares'' rather than ''portfolio depositary receipts and index fund shares.'' Such difference does not represent a substantive difference from the rules of other exchanges. *See infra* n. 18.

[15] 15 U.S.C. 78f(b).

[16] 15 U.S.C. 78f(b)(5).

[17] 15 U.S.C. 78f(b)(8).

Options Exchange LLC (''BOX'') and BATS Exchange ''BATS'').[18] Furthermore, the Exchange believes this proposed rule change will benefit investors by providing additional methods to trade options on ETFs, and by providing them with valuable risk management tools. Specifically, the Exchange believes that market participants on the Exchange would benefit from the introduction and availability of options on ETFs in a manner that is similar to equities exchanges and will provide investors with a venue on which to trade options on these products. For all the reasons stated above, the Exchange does not believe that the proposed rule changes will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act, and believes the proposed change will enhance competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the proposed rule change does not (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to section 19(b)(3)(A) of the Act[19] and Rule 19b–4(f)(6) thereunder.[20]

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act[21] normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii)[22] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Exchange stated that waiver of the operative delay will permit the Exchange to list and trade certain ETF options on the same basis as other options markets.[23] The Commission believes the waiver of the operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposal operative upon filing.[24]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSEArca–2015–60 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSEArca–2015–60. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEArca–2015–60, and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

Brent J. Fields,

Secretary.

[FR Doc. 2015–17494 Filed 7–16–15; 8:45 am]

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[18] *See* Securities Exchange Act Release Nos. 74509 (March 13, 2015), 80 FR 14425 (March 19, 2015) (SR–MIAX–2015–04); 74553 (March 20, 2015) 80 FR 16072 (March 26, 2015) (SR–Phlx–2015–27); 74832 (April 29, 2015), 80 FR 25738 (May 5, 2015) (SR–ISE–2015–16); 75132 (June 9, 2015), 80 FR 34175 (June 15, 2015) (SR–BOX–2015–21), 75166, (June 12, 2015), 80 FR 34946 (June 18, 2015) (SR–BATS–2015–43).

[19] 15 U.S.C. 78s(b)(3)(A).

[20] 17 CFR 240.19b–4(f)(6). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

[21] 17 CFR 240.19b–4(f)(6).

[22] 17 CFR 240.19b–4(f)(6)(iii).

[23] *See supra* note 18.

[24] For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[25] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75438; File No. SR–Phlx–2015–57]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Section II of the Pricing Schedule

July 13, 2015.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 30, 2015, NASDAQ OMX PHLX LLC (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Exchange's Pricing Schedule at section II, entitled ''Multiply Listed Options Fees,'' [3] to: (1) Increase the maximum Qualified Contingent Cross (''QCC'') orders rebate which will be paid in a given month; and (2) amend a strategy fee cap related to dividend,[4] merger,[5] short stock interest,[6] reversal and conversion,[7] jelly roll [8] and box spread [9] floor option transaction strategies.

While the changes proposed herein are effective upon filing, the Exchange has designated that the amendments be operative on July 1, 2015.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaqomxphlx.cchwallstreet.com/,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

[3] These fees include options overlying equities, ETFs, ETNs and indexes which are Multiply Listed.

[4] A dividend strategy is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed the first business day prior to the date on which the underlying stock goes ex-dividend.

[5] A merger strategy is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, executed the first business day prior to the date on which shareholders of record are required to elect their respective form of consideration, *i.e.,* cash or stock.

[6] A short stock interest strategy is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class.

[7] Reversal and conversion strategies are transactions that employ calls and puts of the same strike price and the underlying stock. Reversals are established by combining a short stock position with a short put and a long call position that shares the same strike and expiration. Conversions employ long positions in the underlying stock that accompany long puts and short calls sharing the same strike and expiration.

[8] A jelly roll strategy is defined as transactions created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position.

[9] A box spread strategy is a strategy that synthesizes long and short stock positions to create a profit. Specifically, a long call and short put at one strike is combined with a short call and long put at a different strike to create synthetic long and synthetic short stock positions, respectively.

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

In its filing with the Commission, the Exchange 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. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

The purpose of this filing is to: (1) Increase the maximum QCC rebate that will be paid by the Exchange in a given month; and (2) increase the per member organization Monthly Strategy Cap applicable to dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategies.

QCC Rebate

Today, the Exchange pays rebates on QCC Orders based on the following five tier rebate schedule:

QCC Rebate Schedule

Tier	Threshold	Rebate per contract
Tier 1	0 to 299,999 contracts in a month.	$0.00
Tier 2	300,000 to 499,999 contracts in a month.	0.07
Tier 3	500,000 to 699,999 contracts in a month.	0.08
Tier 4	700,000 to 999,999 contracts in a month.	0.09
Tier 5	Over 1,000,000 contracts in a month.	0.11

The Exchange pays a rebate on all qualifying executed QCC Orders, including QCC Orders as defined in Exchange Rule 1080(o) [10] and Floor QCC Orders, as defined in 1064(e),[11] (collectively ''QCC Orders'') except where the transaction is either: (i) Customer-to-Customer; or (ii) a dividend, merger, short stock interest or reversal or conversion strategy execution. Today, the maximum rebate the Exchange will pay in a given month for QCC Orders is $375,000. Today, QCC Transaction Fees for a Specialist,[12] Market Maker,[13] Professional,[14] Firm [15] and Broker-Dealer [16] are $0.20 per contract.

The Exchange will continue to pay rebates on QCC Orders as described above. The Exchange proposes to amend the QCC Rebate Schedule to increase the maximum QCC Rebate of $375,000 to $450,000 per month. The Exchange believes that the proposed amendment to its pricing for QCC Orders will enable the Exchange to attract additional QCC Orders.

Monthly Strategy Cap

Today, the Exchange applies certain strategy caps [17] to dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread floor option transaction strategy executions in Multiply Listed

[10] A QCC Order is comprised of an order to buy or sell at least 1000 contracts that is identified as being part of a qualified contingent trade, as that term is defined in Rule 1080(o)(3), coupled with a contra-side order to buy or sell an equal number of contracts. The QCC Order must be executed at a price at or between the National Best Bid and Offer and be rejected if a Customer order is resting on the Exchange book at the same price. A QCC Order shall only be submitted electronically from off the floor to the PHLX XL II System. *See* Rule 1080(o). *See also* Securities Exchange Act Release No. 64249 (April 7, 2011), 76 FR 20773 (April 13, 2011) (SR–Phlx–2011–47) (a rule change to establish a QCC Order to facilitate the execution of stock/option Qualified Contingent Trades (''QCTs'') that satisfy the requirements of the trade through exemption in connection with Rule 611(d) of Regulation NMS).

[11] A Floor QCC Order must: (i) Be for at least 1,000 contracts, (ii) meet the six requirements of Rule 1080(o)(3) which are modeled on the QCT Exemption, (iii) be executed at a price at or between the National Best Bid and Offer (''NBBO''); and (iv) be rejected if a Customer order is resting on the Exchange book at the same price. In order to satisfy the 1,000-contract requirement, a Floor QCC Order must be for 1,000 contracts and could not be, for example, two 500-contract orders or two 500-contract legs. *See* Rule 1064(e). *See also* Securities Exchange Act Release No. 64688 (June 16, 2011), 76 FR 36606 (June 22, 2011) (SR–Phlx–2011–56).

[12] A ''Specialist'' is an Exchange member who is registered as an options specialist pursuant to Rule 1020(a).

[13] A ''Market Maker'' includes Registered Options Traders (Rule 1014(b)(i) and (ii)), which includes Streaming Quote Traders (*see* Rule 1014(b)(ii)(A)) and Remote Streaming Quote Traders (*see* Rule 1014(b)(ii)(B)). Directed Participants are also Market Makers.

[14] The term ''Professional'' means any person or entity that (i) is not a broker or dealer in securities, and (ii) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). *See* Rule 1000(b)(14).

[15] The term ''Firm'' applies to any transaction that is identified by a member or member organization for clearing in the Firm range at OCC.

[16] The term ''Broker-Dealer'' applies to any transaction which is not subject to any of the other transaction fees applicable within a particular category.

[17] To qualify for a strategy cap, the buy and sell side of a transaction must originate from the Exchange floor.

Options.[18] The Exchange further separately caps each member organization for dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions in Multiply Listed Options, combined in a month when trading in their own proprietary accounts (''Monthly Strategy Cap'') at $60,000.[19] The Exchange proposes to increase the Monthly Strategy Cap from $60,000 to $65,000 per member organization, per month.

Despite increasing the cap, the Exchange believes that offering members and member organizations the opportunity to continue to cap transaction fees will benefit Phlx members and the Phlx market by encouraging members to transact greater liquidity.

2. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with section 6(b) of the Act[20] in general, and furthers the objectives of section 6(b)(4) and (b)(5) of the Act[21] in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which Phlx operates or controls, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

QCC Rebates

The Exchange believes that it is reasonable to increase the maximum amount of the QCC Rebate the Exchange would pay a market participant in a given month from $375,000 to $450,000 because the Exchange believes it will attract additional QCC Orders to the Exchange.

The Exchange believes that it is equitable and not unfairly discriminatory to increase the maximum amount of the QCC Rebate the Exchange would pay a market participant in a given month from $375,000 to $450,000 because all qualifying market participants are entitled to obtain this rebate if they transact a qualifying number of QCC Orders. All market participants are eligible to transact QCC Orders.

Monthly Strategy Cap

The Exchange's proposal to increase the Monthly Strategy Cap from $60,000 to $65,000 is reasonable because, despite the increase to the cap, the Exchange will continue to offer members an opportunity to lower their fees related to the execution of strategy transactions. For example, when a member incurs transaction fees in the amount of $65,000 in a given month related to strategy executions, the member will not pay for additional strategy executions for the remainder of that month as a result of the fee cap.

The Exchange's proposal to increase the Monthly Strategy Cap from $60,000 to $65,000 is equitable and not unfairly discriminatory because the Exchange would continue to offer members the opportunity to cap their floor equity options transaction in Multiply Listed Options fees for all strategies. Customers are excluded because they are not assessed a floor Options Transaction Charge.[22] Excluding Firm floor Options Transaction Charges in Multiply Listed Options related to reversal and conversion, jelly roll and box spread strategies from the Monthly Strategy Cap is reasonable, equitable and not unfairly discriminatory because these fees would continue to be capped as part of the Monthly Firm Fee Cap, which applies only to Firms. The Exchange believes that the exclusion of Firm floor Options Transaction Charges in Multiply Listed Options related to reversal and conversion, jelly roll and box spread strategies from the Monthly Strategy Cap is equitable and not unfairly discriminatory because Firms, unlike other market participants, have the ability to cap transaction fees up to $75,000 per month.[23] The Exchange would include floor option transaction charges related to reversal and conversion, jelly roll and box spread strategies in the Monthly Strategy Cap for Professionals, and Broker Dealers, when such members are trading in their own proprietary accounts, because these market participants are not subject to the Monthly Firm Fee Cap or other similar cap. While Specialists and Market Makers are subject to a Monthly Market Maker Cap on both electronic and floor options transaction charges, reversal and conversion, jelly roll and box spread transactions are excluded from the Monthly Market Maker Cap [sic].[24] For the reasons described above, the Exchange believes continuing to include reversal and conversion, jelly roll and box spread strategies in the Monthly Firm Fee Cap is reasonable, equitable and not unfairly discriminatory because the cap provides an incentive for Firms to transact floor transactions on the Exchange, which brings increased liquidity and order flow to the floor for the benefit of all market participants.[25]

The Exchange believes that its proposal to continue to apply strategy fee caps to orders originating from the Exchange floor is reasonable because certain members pay floor brokers to execute trades on the Exchange floor, thereby incurring costs related to this business model. The Exchange believes that offering fee caps to members executing floor transactions would defray brokerage costs associated with executing strategy transactions and continue to incentivize members to utilize the floor for certain executions.[26] The Exchange believes that its proposal to continue to apply the fee cap to Multiply Listed Options orders originating from the Exchange floor is equitable and not unfairly discriminatory because today, the fee caps are only applicable for floor transactions. The Exchange believes that a requirement that both the buy and sell sides of the order originate from the

[18] Fees paid by a Specialist, Market Maker, Professional, Firm and Broker-Dealer for floor option transaction in Multiply Listed Options are capped at $1,500 for dividend, merger and short stock interest strategies executed on the same trading day in the same options class when such members are trading in their own proprietary accounts. The Exchange will continue to cap at $700 the fees paid by Specialist, Market Maker, Professional, Firm and Broker-Dealer for reversal and conversion, jelly roll and box spread floor option transaction strategies that are executed on the same trading day in the same options class.

[19] Reversal and conversion, jelly roll and box spread strategy executions are not included in the Monthly Strategy Cap for a Firm. Reversal and conversion, jelly roll and box spread strategy executions are included in the Monthly Firm Fee Cap. All dividend, merger, short stock interest, reversal and conversion, jelly roll and box spread strategy executions are excluded from the Monthly Market Maker Cap. Firms are subject to a maximum fee of $75,000 (''Monthly Firm Fee Cap''). Specialists and Market Makers are subject to a ''Monthly Market Maker Cap'' of $500,000 for: (i) Electronic and floor Option Transaction Charges; and (ii) QCC Transaction Fees.

[20] 15 U.S.C. 78f(b).

[21] 15 U.S.C. 78f(b)(4), (5).

[22] *See* Section II of the Pricing Schedule.

[23] Firms are subject to a maximum fee of $75,000 (''Monthly Firm Fee Cap''). Firm Floor Option Transaction Charges and QCC Transaction Fees, in the aggregate, for one billing month will not exceed the Monthly Firm Fee Cap per member organization when such members are trading in their own proprietary account. All dividend, merger, and short stock interest strategy executions will be excluded from the Monthly Firm Fee Cap. Reversal and conversion, jelly roll and box spread strategy executions (as defined in this Section II) will be included in the Monthly Firm Fee Cap. QCC Transaction Fees are included in the calculation of the Monthly Firm Fee Cap.

[24] *Id.*

[25] Firms are eligible to cap floor options transactions charges and QCC Transaction Fees as part of the Monthly Firm Fee Cap. QCC Transaction Fees apply to QCC Orders as defined in Exchange Rule 1080(o) and Floor QCC Orders as defined in 1064(e). *See* Section II of the Pricing Schedule.

[26] The fee cap is applied to options transaction charges where buy and sell sides originate from the Exchange floor. *See* proposed rule text in section II of the Pricing Schedule.

floor to qualify for the fee cap constitutes equal treatment of members.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that its proposal to increase the maximum QCC Rebate does not impose a burden on competition. The Exchange's proposal should encourage market participants to transact a greater number of QCC Orders in order to obtain QCC Rebates. All market participants are eligible to transact QCC Orders.

The Exchange does not believe that the proposed rule change to the Monthly Strategy Cap will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act because the proposed changes apply uniformly to all members that incur transaction charges, except Firms.[27] Excluding Firm floor options transactions in Multiply Listed Options related to reversal and conversion, jelly roll and box spread strategies from the Monthly Strategy Cap does not create an undue burden on competition because these fees would continue to be capped as part of the Monthly Firm Fee Cap. The Exchange believes the proposal is consistent with robust competition and does not provide any unnecessary burden on competition. Further, certain floor members pay floor brokers to execute trades on the Exchange floor, thereby incurring costs related to this business model. The Exchange believes that offering fee caps to members executing floor transactions and not electronic executions does not create an unnecessary burden on competition because the fee caps defray brokerage costs associated with executing strategy transactions. Also, requiring that both the buy and sell sides of the order originate from the floor to qualify for the fee cap constitutes equal treatment of members.

The Exchange operates in a highly competitive market, comprised of twelve options exchanges, in which market participants can easily and readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive or rebates to be inadequate. Accordingly, the fees that are assessed and the rebates paid by the Exchange described in the above proposal are influenced by these robust market forces and therefore must remain competitive with fees charged and rebates paid by other venues and therefore must continue to be reasonable and equitably allocated to those members that opt to direct orders to the Exchange rather than competing venues.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3)(A)(ii) of the Act.[28] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–Phlx–2015–57 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–Phlx–2015–57. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–Phlx–2015–57, and should be submitted on or before August 7, 2015.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[29]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–17496 Filed 7–16–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75443; File No. SR–NYSEMKT–2015–22]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing of Amendment No. 2 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 2, To Amend NYSEMKT Rule 13—Equities and Related Rules Governing Order Types and Modifiers

July 13, 2015.

I. Introduction

On March 24, 2015, NYSE MKT LLC (''Exchange'' or ''NYSE MKT'') filed with the Securities and Exchange Commission (''Commission''), pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to amend Exchange Rule 13—Equities, and related Exchange rules,

[27] Customers are not assessed options transaction charges in section II of the Pricing Schedule.

[28] 15 U.S.C. 78s(b)(3)(A)(ii).

[29] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

governing order types and modifiers. The proposed rule change was published for comment in the **Federal Register** on April 14, 2015.[3] On May 14, 2015, the Exchange filed Partial Amendment No. 1 to the proposed rule change.[4] On May 27, 2015, pursuant to section 19(b)(2) of the Act,[5] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[6] On July 10, 2015, the Exchange filed Amendment No. 2 to the proposed rule change.[7] The Commission received no comment letters regarding the proposed rule change. The Commission is publishing this notice to solicit comments on Amendment No. 2 from interested persons and is approving the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

II. Description of the Proposal, as Modified by Amendment No. 2

On June 5, 2014, in a speech entitled ''Enhancing Our Market Equity Structure,'' Mary Jo White, Chair of the Commission, requested that the equity exchanges conduct a comprehensive review of their order types and how they operate in practice and, as part of this review, consider appropriate rule changes to help clarify the nature of their order types and how they interact with each other.[8] Subsequent to the Chair's speech, the Commission's Division of Trading and Markets requested that the Exchange complete its review and submit any proposed rule changes.[9]

The Exchange proposes to amend Rule 13—Equities by re-grouping and re-numbering existing order types and order modifiers. The Exchange also proposes to amend Rule 13—Equities to revise the definitions of certain order types and modifiers in both substantive and non-substantive ways and to add text stating that ''[u]nless otherwise specified in [Rule 13—Equities], Rule 70 (for Floor brokers), or Rule 104 (for [Exchange Designated Market Makers (''DMMs'')], orders and modifiers are available for all member organizations.'' The Exchange represents that these revisions are not intended to reflect changes to the functionality of any order type or modifier, but rather to clarify Rule 13—Equities to make it easier to navigate.[10] In addition, the Exchange proposes to amend related Exchange rules to relocate rule text contained in current Rule 13—Equities; further explain the functionality of certain Floor broker and DMM interest; further explain the operation of non-displayed interest entered into the Exchange's systems; add, update, or revise cross references; and make other non-substantive technical amendments.

Under the proposal, Rule 13—Equities would be reorganized into six categories: (1) Primary Order Types; (2) Time in Force Modifiers; (3) Auction-Only Orders; (4) Orders with Instructions Not to Display All or a Portion of the Order; (5) Orders with Instructions Not to Route; and (6) Additional Order Instructions and Modifiers. Currently, Rule 13—Equities lists order types and modifiers alphabetically and does not categorize order types and modifiers based on characteristic or function.

A. Primary Order Types

Proposed section (a) of Rule 13—Equities would set forth two primary order types—Market Orders and Limit Orders—and specify which orders are eligible for automatic executions. The Exchange proposes to delete the current definition of ''Auto Ex Order'' and proposes that all orders entered electronically will be eligible for automatic execution. Interest represented manually by a floor broker, however, would not be eligible for automatic execution.

The Exchange is not changing the definition of ''Market Order'' and would replace the current term ''Display Book'' with the proposed term ''Exchange systems.''[11] With respect to Limit Orders, current Rule 13—Equities defines a ''marketable Limit Order'' as ''an order on the Exchange that can be immediately executed; that is, an order to buy priced at or above the Exchange best offer or an order to sell price at or below the Exchange best bid.'' In the proposed rule change, the Exchange proposes to add a definition for a Limit Order as an order to buy or sell a stated amount of a security at a specified price or better. The definition of a ''marketable Limit Order'' would be revised non-substantively so that a marketable Limit Order would be defined as ''a Limit Order to buy (sell) at or above (below) the Exchange best offer (bid) for the security.''

B. Time in Force Modifiers

Proposed section (b) of Rule 13—Equities would set forth three Time in Force modifiers for orders: (1) Day; (2) Good til Cancelled (''GTC'') or Open; and (3) Immediate or Cancel (''IOC''). For Day modifiers, the Exchange proposes to allow only Limit Orders to be designated as Day orders. Currently, any order could be designated as a Day order. For the GTC or Open modifier, the Exchange is proposing to allow only Limit Orders to be designated with the GTC or Open modifier. Currently, any order could be a GTC or Open order.

With respect to IOC modifiers, the Exchange currently has three different modifiers: (1) Regulation NMS-compliant IOC; (2) Exchange IOC; and (3) IOC–MTS (minimum trade size). The Exchange is proposing to make non-substantive changes to the definitions of all three IOC modifiers.[12]

C. Auction-Only Orders

Proposed section (c) of Rule 13—Equities would set forth five Auction-Only Orders: (1) Closing Offset (''CO'') Orders; (2) Limit-on-Close (''LOC'') Orders; (3) Limit-on-Open (''LOO'') Orders; (4) Market-on Close (''MOC'') Orders; and (5) Market-on-Open (''MOO'') Orders. The Exchange is

[3] *See* Securities Exchange Act Release No. 74682 (April, 8, 2015), 80 FR 20043 (''Notice''). Prior to filing this proposal, the Exchange filed a similar proposal to amend Rule 13—Equities, and related Exchange rules, governing order types and modifiers. *See* Securities Exchange Act Release No. 73593 (November 14, 2014), 79 FR 69153 (November 20, 2014) (SR–NYSEMKT–2014–95). For that proposal, the Commission initially extended the time period for action, *see* Securities Exchange Act Release No. 73913 (December 22, 2014), 79 FR 78531 (December 30, 2014) (SR–NYSEMKT–2014–95), and then instituted proceedings to determine whether to approve or disapprove the proposal, *see* Securities Exchange Act Release No. 74298 (February 18, 2015), 80 FR 9770 (February 24, 2015) (SR–NYSEMKT–2014–95). Prior to the conclusion of those proceedings, the Exchange withdrew the proposal. *See* Securities Exchange Act Release No. 74643 (April 3, 2015), 80 FR 19102 (April 9, 2015) (SR–NYSEMKT–2014–95).

[4] The Exchange subsequently withdrew Partial Amendment No. 1 on May 20, 2015.

[5] 15 U.S.C. 78s(b)(2).

[6] *See* Securities Exchange Act Release No. 75049, 80 FR 31091 (June 1, 2015). The Commission designated July 13, 2015, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[7] For a description of the proposals contained within Amendment No. 2, *see infra* Section V.

[8] *See* Mary Jo White, Chair, Commission, Speech at the Sandler, O'Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014), *available at http://www.sec.gov/News/Speech/Detail/Speech/1370542004312.*

[9] *See* Letter from James Burns, Deputy Director, Division of Trading and Markets, Securities and Exchange Commission, to Jeffrey C. Sprecher, Chief Executive Officer, Intercontinental Exchange, Inc., dated June 20, 2014.

[10] *See* Notice, *supra* note 3, 80 FR at 20044.

[11] The Exchange proposes to replace the term ''Display Book'' with ''Exchange systems,'' when the term refers to Exchange systems that receive and execute orders, and with ''Exchange book'' when the term refers to the interest that has been entered and ranked in Exchange systems, as applicable throughout the proposed rule text.

[12] Throughout the proposed rule text, the Exchange proposes to capitalize terms, including, but not limited to, Limit Order and Market Order.

proposing to make non-substantive changes to these definitions.

D. Non-Displayable Orders (All or a Portion of the Order)

Proposed section (d) of Rule 13—Equities contains orders that are partially or fully undisplayed. There are two types of non-displayable orders: (1) Mid-Point Passive Liquidity Orders (''MPL Orders'') and (2) Reserve Orders. The Exchange proposes to make non-substantive changes to the definition of MPL Orders.

With respect to Reserve Orders, the Exchange proposes to make non-substantive changes to the definition. The Exchange also proposes to add new rule text to state that a Minimum Display Reserve Order, which is a Limit Order that has a portion of the interest displayed when the order is or becomes the Exchange best bid or offer (''Exchange BBO'') and a portion not displayed (the reserve interest), would participate in both automatic and manual executions. The Exchange also proposes to add new rule text to state that a Non-Displayed Reserve Order, which is a Limit Order that is not displayed, would not participate in manual executions. The Exchange represents that these changes would reflect how those orders currently operate on the Exchange.[13] Moreover, the Exchange proposes to change the circumstances in which the reserve interest of a Reserve Order would be available for execution. Currently, the Exchange's rule text specifies that reserve interest of a Non-Displayed Reserve Order is available for execution only after all displayed interest at the price has been executed. The Exchange proposes to amend the rule text to specify that reserve interest of all Reserve Orders is available for execution only after all displayed interest at the price has been executed.

E. Do Not Route Orders

Proposed section (e) of Rule 13—Equities would set forth order modifiers and order types that would not be routed: (1) The Add Liquidity Only (''ALO'') modifier; (2) Do Not Ship (''DNS'') orders; and (3) Intermarket Sweep (''ISO'') orders. For the ALO modifier, the Exchange proposes to make non-substantive changes and to update cross references. The Exchange also proposes to add new rule text to specify that Limit Orders with the ALO modifier may participate in re-openings, but that the ALO designation would be ignored. This proposed change would expand the text of current Rule 13—Equities, which states that Limit Orders with the ALO modifier may participate in the Exchange's open or close, but that the ALO designation would be ignored. The Exchange is also proposing to make non-substantive changes to the DNS order and ISO definitions.

F. Other Modifiers

Proposed section (f) of Rule 13—Equities would include the Exchange's other order instructions and modifiers: (1) Do Not Reduce (''DNR'') modifier; (2) Do Not Increase (''DNI'') modifier; (3) Pegging interest; (4) Retail modifier; (5) Self-Trade Prevention (''STP'') modifier; (6) Sell ''Plus''—Buy ''Minus'' instruction; and (7) Stop order. The Exchange proposes to make non-substantive changes to the DNR and DNI modifiers.

With respect to Pegging interest, the Exchange proposes to specify that Pegging interest must be a Floor broker agency interest file (''e-Quote'') or a discretionary e-Quote (''d-Quote'') and proposes to delete the reference to the term ''Primary Pegging Interest'' in proposed Rule 13(f)(3)(B) because the Exchange represents that it only has one form of Pegging interest.[14]

The Exchange proposes to make non-substantive changes to the Retail modifier, STP modifier, and the Sell ''Plus''—Buy ''Minus'' instruction definitions. With respect to the STP modifier, the Exchange proposes to add rule text specifying that the STP modifier is not available for DMM interest, and with respect to Stop orders, the Exchange proposes to make non-substantive changes and to replace the term ''Exchange's automated order routing system'' with ''Exchange systems.''

G. Other Proposed Changes

The Exchange proposes to move the definition of ''Routing Broker'' to Rule 17(c)—Equities because the Exchange states that Rule 17(c)—Equities governs the operations of Routing Brokers.[15]

The Exchange also proposes to amend the definition of Not Held orders and relocate that definition to Supplementary Material .20 to Rule 13—Equities because the Exchange states that Supplementary material .20 of Rule 13—Equities reflects the obligations that members have in handling customer orders and Not Held instructions are instructions from a customer to a member or member organization regarding the handling of an order.[16] Rule 13—Equities currently defines a Not Held order as a market or limited price order marked ''not held,'' ''disregard tape,'' ''take time,'' ''buy or sell on print,'' or which bears any such qualifying notation. Under the proposed rule change, a Not Held order would refer to an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the member or member organization price and time discretion.

The Exchange proposes several amendments to Rule 70—Equities, which governs the execution of Exchange Floor Broker interest. The Exchange proposes to amend Rule 70(a)(i)—Equities to (1) delete current rule text indicating that Floor Brokers can only enter e-Quotes at or outside the Exchange BBO because, in Amendment No. 2, the Exchange explains that Floor brokers may use e-Quotes to enter non-displayed orders, such as Non-Display Reserve e-Quotes or MPL Orders, priced between the Exchange BBO, and (2) add rule text stating that e-Quotes would not include unelected Stop Orders, Market Orders, ISOs, GTC modifiers, DNR modifiers, or DNI modifiers. Furthermore, the Exchange proposes to add text to Rule 70.25(a)(ii)—Equities explaining that discretionary instructions may include instructions to participate in the Exchange's opening or closing transaction only. The Exchange also proposes to amend Rule 70.25(c)—Equities to clarify that certain functionality set forth in the Rule is no longer available. Specifically, Rule 70.25(c)(ii)—Equities currently provides that a Floor broker may designate a maximum size of contra-side volume with which it is willing to trade using discretionary pricing instructions. Because this functionality is not available, the Exchange proposes to delete references to the maximum discretionary size parameter from Rules 70.25(c)(ii)—Equities and 70.25(c)(v)—Equities. Additionally, the Exchange proposes to amend Rule 70.25(c)(iv)—Equities to clarify that the circumstances under which the Exchange would consider interest displayed by other market centers at the price at which a d-Quote may trade are not limited to determining when a d-Quote's minimum or maximum size range is met. Accordingly, the Exchange proposes to delete the clause ''when determining if the d-Quote's minimum and/or maximum size range is met.'' The Exchange also proposes to make non-substantive changes to Rules 70(a)(i)—Equities and 70(b)(i)—Equities by replacing the term ''Display Book'' with the term ''Exchange systems,'' and

[13] *See* Notice, *supra* note 3, 80 FR at 20045.

[14] *See* Notice, *supra* note 3, 80 FR at 20046.

[15] *See id.*

[16] *See id.*

in Rule 70(f)—Equities, the Exchange proposes to update cross references.

The Exchange proposes several amendments to amend Rule 72—Equities, which governs the priority of bids and offers and allocation of executions on the Exchange. First, the Exchange proposes to amend Rule 72(c)(i)—Equities to (1) replace the term ''reserve interest'' with the term ''non-displayable interest'' so that the rule sets forth that all non-displayable interest, which includes certain types of reserve interest and MPL Orders, trades on parity in accordance with the order allocation provisions of Rule 72—Equities and (2) change the phrase ''the displayed bid (offer)'' to ''displayable bids (offers)'' and change the phrase ''displayed volume'' to ''displayable volume'' to specify that an automatically executing order will trade first with displayable bids (offers) and, if there is insufficient displayable volume to fill the order, will trade next with non-displayable interest. The Exchange also proposes to amend Rule 72(c)(x)—Equities to add MPL Orders to the orders identified as being eligible to trade at price points between the Exchange BBO and delete a cross reference to Rule 13—Equities.

The Exchange proposes two amendments to Rule 104—Equities, which governs the dealings and responsibilities of DMMs. First, the Exchange proposes to add text to Rule 104(b)(ii)—Equities explaining that the Exchange's systems will prevent incoming DMM interest from trading with resting DMM interest. Specifically, proposed Rule 104(b)(ii)—Equities would now provide that if an incoming DMM interest would trade with resting DMM interest only, the incoming DMM interest would be cancelled, and if the incoming DMM interest would trade with interest other than DMM interest, the resting DMM interest would be cancelled. Furthermore, the Exchange proposes to add new Rule 104(b)(vi)—Equities to specify that DMMs may not enter the following orders and modifiers: (1) Market Orders; (2) GTC modifiers; (3) MOO orders; (4) CO orders; (5) MOC orders; (6) LOC orders; (7) DNR modifiers; (8) DNI modifiers; (9) Sell ''Plus''—Buy ''Minus'' instructions; and (10) Stop orders.

The Exchange also proposes to amend Rule 501(d)(2)—Equities relating to the list of order types that are not accepted for trading in UTP Securities. The Exchange proposes to make non-substantive changes to update the name references to order types, and the Exchange proposes to delete the reference to Good 'til Cross (GTX) orders because the Exchange represents that it no longer accepts GTX Order Instructions.[17]

Finally, the Exchange proposes to amend Rule 1000—Equities, which governs automatic executions, by adding cross references to other Exchange rules applicable to automatic executions in Rule 1000(a)—Equities.

III. Discussion and Commission Findings

After careful review, the Commission finds that the proposed rule change, as modified by Amendment No. 2, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[18] In particular, the Commission finds that the proposed rule change is consistent with section 6(b)(5) of the Act,[19] which requires, among other things, that the rules of a national securities exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange represents that it continually assesses its rules governing order types[20] and that this proposal is part of that continued effort to review and clarify its rules governing order types.[21] In addition, the Commission notes that the Exchange asserts that the proposal is consistent with section 6(b)(5) of the Act because it would, among other things, clarify existing functionality of the Exchange's order types and ensure that Exchange members, regulators, and the public can both more easily navigate the Exchange's rulebook and better understand the order types available for trading on the Exchange.[22]

The Exchange's proposal would restructure and reorganize Rule 13—Equities so that order types with similar functionality are grouped together by subsection. The Commission also notes that the proposal contains several revisions to the Exchange's current rule text to clarify the descriptions of how certain orders, modifiers, and the ''not held'' instruction function and to specify which member organizations can and cannot enter certain order types. The Commission believes that the proposed rule change should provide greater specificity, clarity, and transparency with respect to the order type and modifier functionalities available on the Exchange, as well as the Exchange's methodology for handling certain order types, when compared to the existing rule text today. Accordingly, the Commission believes that the proposal is designed to prevent fraudulent and manipulative acts and practices, promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, protect investors and the public interest.

IV. Solicitation of Comments on Amendment No. 2

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 2 to the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–NYSEMKT–2015–22 on the subject line.

Paper Comments

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSEMKT–2015–22. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and

[17] *See* Notice, *supra* note 3, 80 FR at 20046.

[18] In approving this proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[19] 15 U.S.C. 78f(b)(5).

[20] *See* Notice, *supra* note 3, 80 FR at 20044.

[21] *See id.*

[22] *See* Notice, *supra* note 3, 80 FR at 20047.

printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of this filing will also be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEMKT–2015–22 and should be submitted on or before August 7, 2015.

V. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 2

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 2, prior to the 30th day after the date of publication of notice of Amendment No. 2 in the **Federal Register**. In Amendment No. 2, the Exchange proposes to add to Rule 13—Equities text that: (1) States that ''[u]nless otherwise specified in [Rule 13—Equities], Rule 70 (for Floor brokers), or Rule 104 (for DMMs), orders and modifiers are available for all member organizations;'' and (2) specifies that the STP modifier is not available for DMM interest. The Exchange also proposes to delete a proposed change to the definition of MPL Orders that would have required the Exchange's systems to: (1) Reject an MPL Order on entry if it has a Minimum Triggering Volume larger than the size of the order and (2) to reject a request to partially cancel a resting MPL Order when the partial cancellation would result in a Minimum Triggering Volume that is larger than the size of the order. Furthermore, the Exchange proposes several non-substantive technical amendments to the filing so that the proposed text in Rules 13(a)(1)—Equities (definition of Market Order), 13(b)(2)—Equities (definition of the GTC modifier), 13(b)(3)—Equities (definition of the IOC modifier), 13(d)(1)(A)—Equities (definition of MPL Order), 501(a)—Equities (definition of the term ''Closing Price''), and the current Rule 13—Equities text marked for deletion under the present alphabetically listed format, accurately reflect the proposed rule changes to the current rule text and the proposed rule text that is not being changed from the current rule text.

The Exchange also proposes to amend Rule 70—Equities to: (1) Delete current rule text in Rule 70(a)(i)—Equities indicating that Floor Brokers can only enter e-Quotes at or outside the Exchange BBO; (2) add text to Rule 70(a)(i) stating that e-Quotes shall not include unelected Stop orders, Market Orders, ISOs, GTC modifiers, DNR modifiers, or DNI modifiers; (3) add text to Rule 70.25(a)(ii) explaining that discretionary instructions may include instructions to participate in the Exchange's opening or closing transaction only; (4) make non-substantive changes to Rules 70(a)(i)—Equities and 70(b)(i)—Equities by replacing the term ''Display Book'' with the term ''Exchange systems;'' and (5) update cross references in Rule 70(f)—Equities.

The Exchange proposes to amend Rule 72(c)(i) to: (1) Set forth that all non-displayable interest, which includes certain types of reserve interest and MPL Orders, trades on parity; and (2) to change the phrase ''the displayed bid (offer)'' to ''displayable bids (offers)'' and change the phrase ''displayed volume'' to ''displayable volume.'' The Exchange also proposes to amend Rule 72(c)(x) to add MPL Orders to the orders identified as being eligible to trade at price points between the Exchange BBO and delete a cross reference to Rule 13—Equities.

The Exchange also proposes to add text to Rule 104(b)(ii)—Equities explaining that the Exchange's systems will prevent incoming DMM interest from trading with resting DMM interest. Furthermore, the Exchange proposes to add new Rule 104(b)(vi)—Equities to specify that DMMs may not enter the following orders and modifiers: (1) Market Orders; (2) GTC modifiers; (3) MOO orders; (4) CO orders; (5) MOC orders; (6) LOC orders; (7) DNR modifiers; (8) DNI modifiers; (9) Sell ''Plus''—Buy ''Minus'' instructions; and (10) Stop orders.

Finally, the Exchange proposes to amend Rule 1000(a)—Equities to provide cross references to other Exchange rules applicable to automatic executions.

The Commission believes that the revisions proposed in Amendment No. 2 do not raise any novel regulatory issues. The Commission further believes that the proposed revisions to the rule text set forth in Amendment No. 2 do not represent any significant changes to the current functionality of the Exchange's order types and modifiers. Rather, these proposed rule text changes primarily help clarify and better explain how the Exchange's order types and modifiers currently operate and interact. For instance, the Commission believes that the Exchange's proposal to add text at the beginning of Rule 13—Equities stating that, unless otherwise specified in other Exchange rules, orders and modifiers are available for all member organizations, coupled with the proposed addition of subparagraph (b)(vi) to Rule 104—Equities that specifically enumerates which orders and modifiers a DMM may not enter into the Exchange's systems, should help member organizations better understand which orders and modifiers they can and cannot enter into the Exchange's systems. Therefore, the Commission finds that Amendment No. 2 is consistent with the protection of investors and the public interest.

Accordingly, the Commission finds good cause, pursuant to section 19(b)(2) of the Act,[23] to approve the proposed rule change, as modified by Amendment No. 2, on an accelerated basis.

VI. Conclusion

It is therefore ordered, pursuant to section 19(b)(2) of the Act,[24] that the proposed rule change (SR–NYSEMKT–2015–22), as modified by Amendment No. 2, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

Robert W. Errett,

Deputy Secretary.

[FR Doc. 2015–17535 Filed 7–16–15; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–75432; File No. SR–NYSEMKT–2015–23]

Self-Regulatory Organizations; NYSE MKT LLC; Order Approving Proposed Rule Change, as Modified by Amendment No. 1, Adopting a Principles-Based Approach To Prohibit the Misuse of Material Nonpublic Information by Specialists and e-Specialists by Deleting Rule 927.3NY and Section (f) of Rule 927.5NY

July 13, 2015.

I. Introduction

On April 8, 2015, NYSE MKT LLC (the ''Exchange'' or ''NYSE MKT'') filed with the Securities and Exchange Commission (the ''Commission''), pursuant to Section 19(b)(1) [1] of the Securities Exchange Act of 1934 (''Act'') [2] and Rule 19b–4 thereunder,[3] a

[23] 15 U.S.C. 78s(b)(2).

[24] 15 U.S.C. 78s(b)(2).

[25] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

proposed rule change adopting a principles-based approach to prohibit the misuse of material nonpublic information by Specialists and e-Specialists by deleting NYSE MKT Rule 927.3NY and Section (f) of NYSE MKT Rule 927.5NY. The proposed rule change was published for comment in the **Federal Register** on April 14, 2015.[4] The Commission received one comment letter regarding the proposed rule change.[5] On May 20, 2015, the Commission extended the time period in which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change to July 13, 2015.[6] On June 18, 2015, the Exchange filed Amendment No. 1 to the proposed rule change.[7] This order approves the proposed rule change, as modified by Amendment No. 1.

II. Description of the Proposal

The Exchange proposes to delete NYSE MKT Rule 927.3NY, which sets forth prescriptive requirements for Specialists to have information barriers, and NYSE MKT Rule 927.5NY(f), which sets forth a principles-based, information barrier requirement for e-Specialists. NYSE MKT Rule 3(j), which requires that every Exchange member establish, maintain, and enforce written policies and procedures reasonably designed to prevent the misuse of material, non-public information by such member or associated persons, would remain in effect and would continue to apply to both Specialists and e-Specialists.

Under NYSE MKT Rule 3(j), the misuse of material, non-public information includes, but is not limited to, the following:

(a) Trading in any securities issued by a corporation, or in any related securities or related options or other derivative securities, while in possession of material, non-public information concerning that issuer;

(b) trading in a security or related options or other derivative securities, while in possession of material, non-public information concerning imminent transactions in the security or related securities; or

(c) disclosing to another person or entity any material, non-public information involving a corporation whose shares are publicly traded or an imminent transaction in an underlying security or related securities for the purpose of facilitating the possible misuse of such material, non-public information.

Pursuant to NYSE MKT Rule 3(j), Specialists and e-Specialists are obligated to ensure that their policies and procedures reflect the current state of their business and are reasonably designed to protect against the misuse of material, non-public information, applicable federal securities law and regulations, and Exchange rules. The Exchange believes that such a principles-based approach should provide Specialists, e-Specialists and ATP Holders with greater flexibility to develop and adapt their policies and procedures as appropriate to reflect their business model, business activities, or the securities market.[8]

The Exchange notes that under this proposed rule change an ATP Holder could structure its options Specialists, e-Specialists, or Market Makers, as applicable, with the firm's equities and customer-facing businesses; provided, that any such structuring be done in a manner reasonably designed to protect against the misuse of material, non-public information.[9] For example, the Exchange explains that pursuant to NYSE MKT Rule 3(j), a Specialist could be in the same independent trading unit, as defined in Rule 200(f) of Regulation SHO,[10] as an equities market maker and other trading desks within the firm, including options trading desks, to facilitate the sharing of post-trade information for risk management purposes across related securities.[11] Further, consistent with NYSE MKT Rule 3(j) and Section 15(g) of the Act,[12] the Exchange notes that a firm with reasonably designed policies and procedures, including information barriers as applicable, to protect against the misuse of material non-public information, and specifically customer information, could share options position and related hedging position information (*e.g.,* equities, futures, and foreign currency) within a firm to better manage risk on a firm-wide basis.[13] The Exchange also notes that if Specialists or e-Specialists are integrated with other market making operations, they would be subject to existing Exchange rules that prohibit ATP Holders from disadvantaging their customers or other market participants by improperly capitalizing on a member organization's access to the receipt of material, non-public information.[14] Nonetheless, the Exchange also notes that while the proposed rule change would no longer specifically require information barriers, an ATP Holder's business model or business activities may dictate that an information barrier or a functional separation be part of the policies and procedures that are reasonably designed to achieve compliance with applicable securities law and regulations, and with applicable Exchange rules.[15]

Deleting NYSE MKT Rule 927.3NY will remove the requirement for specified, prescriptive information barriers as well as the pre-approval of any information barriers used by Specialists. Deleting NYSE MKT Rule 927.5NY(f) will remove the explicit information barrier requirement for e-Specialists. However, the Exchange notes, as is the case today with Market Makers, that information barriers of new entrants, including new Specialists, would be subject to review as part of a new firm application.[16] Moreover, the policies and procedures of Specialists

[4] *See* Securities Exchange Act Release No. 74677 (April 8, 2015), 80 FR 20049 (''Notice'').

[5] *See* Letter from Peter D. Selman, Managing Director, Goldman Sachs & Co., dated May 5, 2015 (''Goldman Letter'').

[6] *See* Securities Exchange Act Release No. 75004 (May 20, 2015), 80 FR 30301 (May 27, 2015).

[7] In Amendment No. 1 the Exchange clarifies that it is not proposing to change what is considered to be material, non-public information and, thus does not expect there to be any changes to the types of information that an affiliated brokerage business of a Specialist or e-Specialist could share with such Specialist or e-Specialist. In that regard, the Exchange explains that it no longer offers Reserve Orders, and the proposed rule change would not permit the affiliates of a Specialist or e-Specialist to have access to any non-public order or quote information of the Specialist of e-Specialist. The Exchange also explains that it does not believe that there will be any material change to member information barriers as a result of removal of the Exchange pre-approval requirement. In fact, the Exchange anticipates that eliminating the pre-approval requirement should facilitate implementation of changes to member information barriers as necessary to protect against the misuse of material, non-public information. The Exchange also suggests that the pre-approval requirement is unnecessary because Specialists no longer have agency responsibilities to the book, or time and place information advantages because of their market role. Finally, the Exchange argues that NYSE MKT Rule 927.5NY(f) is a principles-based information barrier rule that is redundant of the requirements applicable to all members under NYSE MKT Rule 3(j). Amendment No. 1 is not subject to notice and comment because it is a technical amendment that does not alter the substance of the proposed rule change or raise any novel regulatory issues. Amendment No. 1 has been placed in the public comment file for SR–NYSEMKT–2015–23 at *http://www.sec.gov/comments/sr-nysemkt-2015-23/nysemkt201523.shtml* (see letter from Martha Redding, Senior Counsel, Assistant Secretary, New York Stock Exchange LLC (''NYSE''), to Secretary, Commission, dated June 30, 2015) and also is available at the Exchange's Web site at *https://www.nyse.com/regulation/rule-filings.*

[8] *See* Notice, *supra* note 4, 80 FR at 20050.

[9] *See id.* at 20051.

[10] 17 CFR 242.200(f).

[11] *See* Notice, *supra* note 4, 80 FR at 20051.

[12] 15 U.S.C. 78o(g).

[13] *See* Notice, *supra* note 4, 80 FR at 20051.

[14] *See id.* at 20051–52.

[15] *See id.* at 20052.

[16] *See id.* at 20050–51, n. 7.

and e-Specialists, including those relating to information barriers, would be subject to review by the Financial Industry Regulatory Authority (''FINRA''), on behalf of the Exchange, pursuant to a Regulatory Services Agreement.[17]

The Exchange also represents that Specialists and e-Specialists do not have different or greater access to nonpublic information than other market participants on the Exchange, and differ from other types of Exchange Market Makers only because of heightened obligations and allocation guarantees.[18] Specifically, the Exchange notes that Specialists and e-Specialists, like other types of Exchange Market Makers, do not have any agency responsibilities for orders in the Consolidated Book. Accordingly, the Exchange believes that it is appropriate to apply a consistent, principles-based, regulatory framework related to the protection against the misuse of material non-public information for Specialists, e-Specialists and Market Makers under NYSE MKT Rule 3(j).

The Exchange also proposes to make a conforming amendment to remove references to NYSE MKT Rule 927.3NY from NYSE MKT Rule 927.6NY.

III. Summary of Comment Received

The Commission received one comment letter in support of the proposal.[19] The commenter stated that Exchange Specialists no longer have informational advantages compared to other Exchange market participants, and thus the specific and rigid requirements applied to Specialists under NYSE MKT Rule 927.3NY and NYSE MKT Rule 927.5NY(f) are no longer meaningful.[20] In addition, the commenter posited that the proposal would promote effective risk management by enabling firms with multiple options trading desks to share proprietary options positions and related hedging position information.[21] The commenter explained that many firms seek to centralize trading operations in order to eliminate redundancies, develop more resilient system architecture, and thereby reduce position risk.[22] The commenter also opined that the proposed rule change is consistent with the Commission's efforts to require firms to more effectively limit exposure resulting from trading market risk.[23] Further, the commenter suggested that the Exchange's proposed approach to preventing the misuse of material non-public information be adopted by other option exchanges such that the benefits of the proposal could be fully realized.[24]

IV. Discussion and Commission Findings

After careful consideration, the Commission finds that the proposed rule change, as modified by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.[25] The Commission believes that the proposed rule change, as modified by Amendment No. 1, is consistent with Section 6(b)(5)[26] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

The Exchange proposes to delete NYSE MKT Rule 927.3NY, which sets forth prescriptive requirements for Specialists to have information barriers, and NYSE MKT Rule 927.5NY(f), which sets forth a principles-based, information barrier requirement for e-Specialists. The Commission believes that the proposed rule change is consistent with the Act because it continues to require firms to maintain policies and procedures, consistent with NYSE MKT Rule 3(j) and Section 15(g) of the Act,[27] that are reasonably designed to prevent the misuse of material, non-public information, while allowing firms greater flexibility in structuring their business and compliance operations. Further, as noted by the Exchange in the Notice, if Specialists or e-Specialists are integrated with other market making operations, they would be subject to existing Exchange rules that prohibit ATP Holders from disadvantaging their customers or other market participants by improperly capitalizing on a member organization's access to the receipt of material, non-public information.[28] For example, NYSE MKT Rule 320 requires members to establish, maintain, enforce, and keep current a system of compliance and supervisory controls, reasonably designed to achieve compliance with applicable securities laws and Exchange rules, and NYSE MKT Rule 995NY(c) prevents an ATP Holder or person associated with an ATP Holder, who has knowledge of an originating order, a solicited order, or a facilitation order, to enter, based on such knowledge, an order to buy or sell an option on the underlying securities of any option that is the subject of the order, an order to buy or sell the security underlying any option that is the subject of the order, or any order to buy or sell any related instrument unless certain disclosure or timing requirements are satisfied.

The Commission notes that the Exchange has represented that Specialists and e-Specialists do not have informational advantages compared to other Exchange market participants.[29] The Commission additionally notes that the Exchange has specified that it no longer offers Reserve Orders, and, further specified that in no event would this proposed rule change permit the affiliates of a Specialist or e-Specialist to have access to any non-public quote or order information of the Specialist or of the e-Specialist.[30] Accordingly, based on the Exchange's representations that (1) Specialists and e-Specialists do not have informational advantages compared to other Exchange market participants, (2) Specialists and e-Specialists are not be permitted to share any hidden, non-public quote or order interest with an affiliate, and (3) ATP Holders are prohibited from disadvantaging their customers or other market participants by improperly capitalizing on a member organization's access to the receipt of material, non-public information, the Commission believes that it is appropriate for the Exchange to adopt a principles-based regulatory approach.[31] Nonetheless, the

[17] *See id.*

[18] *See* Rules 927NY(c) and 927.5NY; *see also* Notice, *supra* note 4, 80 FR at 20050.

[19] *See* Goldman Letter, *supra* note 5.

[20] *Id.* at 1.

[21] *Id.*

[22] *Id.* at 2.

[23] *Id.*

[24] *Id.*

[25] In approving this rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[26] 15 U.S.C. 78f(b)(5).

[27] 15 U.S.C. 78o(g). *See* Notice, *supra* note 4, 80 FR at 20051–52.

[28] *See* Notice, *supra* note 4, 80 FR at 20051–52.

[29] *See* Amendment No. 1, *supra* note 7.

[30] *See id.*

[31] In approving this rule change, the Commission notes that it has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f). The Commission notes that NYSE Arca Equities, Inc. (''NYSE Arca'') and BATS Exchange, Inc.'s (''BATS''), cash equity markets that trade electronically, have both adopted a principles-based approach to protecting against the misuse of material non-public information. *See* Securities Exchange Act Release Nos. 60604 (Sept. 2, 2009), 76 FR 46272 (Sept. 8, 2009) (SR–NYSEArca–2009–78) (''Arca Approval Order''); 61574 (Feb. 23, 2010), 75 FR 9455 (Mar. 2, 2010) (SR–BATS–2010–003) (''BATS Approval Order''). Similarly, NYSE and NYSE MKT, except for prescribed rules relating to floor-based designated

Continued

Commission notes that, while information barriers are not specifically required under this proposed rule change, a firm's business model or business activities may dictate that an information barrier or a functional separation be part of the appropriate set of policies and procedures that would be reasonably designed to achieve compliance with applicable securities law and regulations, and with applicable Exchange rules.

Finally, the Commission notes that the policies and procedures required by NYSE MKT Rule 3(j) are subject to oversight by the Exchange and review by FINRA,[32] and the Commission emphasizes that member organizations operating a Specialist, e-Specialist or Market Maker should be proactive in assuring that its policies and procedures reflect the current state of its business and continue to be reasonably designed to achieve compliance with applicable federal securities law and regulations and with applicable Exchange rules.[33]

V. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act [34] that the proposed rule change (SR–NYSEMKT–2015–23), as modified by Amendment No. 1, be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[35]

Brent J. Fields,

Secretary.

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market makers that have access to specified non-public trading information, also adopted principles-based approaches to prevent the misuse of material non-public information for cash equity markets. *See* Securities Exchange Act Release Nos. 72534 (July 3, 2014), 79 FR 39019 (July 9, 2014) (SR–NYSE–2014–12) (''NYSE Approval Order''); 72535 (July 3, 2014) 79 FR 39024 (July 9, 2014) (SR–NYSEMKT–2014–22) (''NYSE MKT Approval Order'').

[32] *See* Notice, *supra* note 4, 80 FR at 20050–51, n. 7.

[33] The Commission notes that such policies and procedures may include the programming and operation of a member organization's trading algorithms to protect against the misuse of material non-public information.

[34] 15 U.S.C. 78s(b)(2).

[35] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2015–0045]

Agency Information Collection Activities: Proposed Request and Comment Request

The Social Security Administration (SSA) publishes a list of information collection packages requiring clearance by the Office of Management and Budget (OMB) in compliance with Public Law 104–13, the Paperwork Reduction Act of 1995, effective October 1, 1995. This notice includes revisions and an extension of OMB-approved information collections.

SSA is soliciting comments on the accuracy of the agency's burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology. Mail, email, or fax your comments and recommendations on the information collection(s) to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses or fax numbers.

(OMB)

Office of Management and Budget, Attn: Desk Officer for SSA, Fax: 202–395–6974, Email address: *OIRA_Submission@omb.eop.gov.*

(SSA)

Social Security Administration, OLCA, Attn: Reports Clearance Director, 3100 West High Rise, 6401 Security Blvd., Baltimore, MD 21235, Fax: 410–966–2830, Email address: *OR.Reports.Clearance@ssa.gov.*

Or you may submit your comments online through *www.regulations.gov,* referencing Docket ID Number [SSA–2015–0045].

I. The information collections below are pending at SSA. SSA will submit them to OMB within 60 days from the date of this notice. To be sure we consider your comments, we must receive them no later than September 15, 2015. Individuals can obtain copies of the collection instruments by writing to the above email address.

1. *Employment Relationship Questionnaire—20 CFR 404.1007—0960–0040.* When SSA needs information to determine a worker's employment status for the purpose of maintaining a worker's earning records, the agency uses Form SSA–7160–F4 to determine the existence of an employer-employee relationship. We use the information to develop the employment relationship; specifically to determine whether a beneficiary is self-employed or an employee. The respondents are individuals seeking to establish their status as employees, and the individuals alleged employers.

Type of Request: Revision of an OMB-approved information collection.

Modality of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)
Individuals	8,000	1	25	3,333
Businesses	7,200	1	25	3,000
State/Local Government	800	1	25	333
Totals	16,000			6,666

2. *Vocational Rehabilitation Provider Claim—20 CFR 404.2108(b), 404.2117(c)(1) & (2), 404.2101(b) & (c), 404.2121(a), 416.2208(b), 416.2217(c)(1) & (2), 416.2201(b) & (c), 416.2221(a)—0960–0310.* State vocational rehabilitation (VR) agencies submit Form SSA–199 to SSA to obtain reimbursement of costs incurred for providing VR services. SSA requires state VR agencies to submit reimbursement claims for the following categories: (1) Claiming reimbursement for VR services provided; (2) certifying adherence to cost containment policies and procedures; and (3) preparing causality statements. The respondents mail the paper copy of the SSA–199 to SSA for consideration and approval of the claim for reimbursement of costs incurred for SSA beneficiaries. For claims certifying adherence to cost containment policies and procedures, or for preparing causality statements, State VR agencies submit written requests as stipulated in SSA's regulations within the Code of Federal Regulations. In most

cases, SSA requires adherence to cost containment policies and procedures as well as causality statements prior to determining whether to reimburse State VR agencies. SSA uses the information on the SSA–199, along with the written documentation, to determine whether, and how much, to pay State VR agencies under SSA's VR program. Respondents are Sate VR agencies offering vocational and employment services to Social Security and Supplemental Security Income (SSI) recipients.

Type of Request: Revision of an OMB-approved information collection.

Modality of completion (type of response as indicated below)	Number of respondents	Frequency of response	Number of responses	Average burden per response (minutes)	Estimated total annual burden (hours)
SSA–199 CFR 404.2108 & 416.2208	80	160	12,800	23	4,907
CFR 404.2117 & 416.2217 Written requests	80	1	80	60	80
CFR 404.2121 & 416.2221 Written requests	80	2.5	200	100	333
Total	80		13,080		5,320

3. *Testimony by Employees and the Production of Records and Information in Legal Proceedings—20 CFR 403.100–403.155—0960–0619.* Regulations at 20 CFR 403.100–403.155 of the Code of Federal Regulations establish SSA's policies and procedures for an individual, organization, or government entity to request official agency information, records, or testimony of an agency employee in a legal proceeding when the agency is not a party. The request, which respondents submit in writing to the Commissioner, must (1) fully set out the nature and relevance of the sought testimony; (2) explain why the information is not available by other means; (3) explain why it is in SSA's interest to provide the testimony; and (4) provide the date, time, and place for the testimony. Respondents are individuals or entities who request testimony from SSA employees in connection with a legal proceeding.

Type of Request: Extension of an OMB-approved information collection.

Modality of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)
20 CFR 403.100–403.155	100	1	60	100

II. SSA submitted the information collection below to OMB for clearance. Your comments regarding the information collection would be most useful if OMB and SSA receive them 30 days from the date of this publication. To be sure we consider your comments, we must receive them no later than August 17, 2015. Individuals can obtain copies of the OMB clearance package by writing to *OR.Reports.Clearance@ssa.gov*.

Function Report Adult—20 CFR 404.1512 & 416.912—0960–0681. Individuals receiving or applying for Social Security disability insurance (SSDI) or SSI must provide medical evidence and other proof SSA requires to prove their disability. SSA, and State disability determinations services on our behalf, collect the information using Form SSA–3373. We use the information to document how claimants' disabilities affect their ability to function, and to determine eligibility for SSI and SSDI claims. The respondents are Title II and Title XVI applicants (or current recipients undergoing redeterminations) for disability payments.

Type of Request: Revision of an OMB-approved information collection.

Modality of completion	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)
SSA–3373	2,085,721	1	61	2,120,483

Dated: July 14, 2015.

Faye I. Lipsky,

Reports Clearance Officer, Social Security Administration.

[FR Doc. 2015–17551 Filed 7–16–15; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. 2014–44]

Petition for Exemption; Summary of Petition Received; William Robertson

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of Title 14 of the Code of Federal Regulations. The purpose of this notice is to improve the public's awareness of, and participation in, the FAA's exemption process. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before August 6, 2015.

ADDRESSES: Send comments identified by docket number FAA–2015–2192 using any of the following methods:

- *Federal eRulemaking Portal*: Go to *http://www.regulations.gov* and follow the online instructions for sending your comments electronically.
- *Mail*: Send comments to Docket Operations, M–30; U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE., Room W12–140, West Building Ground Floor, Washington, DC 20590–0001.
- *Hand Delivery or Courier*: Take comments to Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- *Fax*: Fax comments to Docket Operations at 202–493–2251.

Privacy: In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to *http://www.regulations.gov,* as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at *http://www.dot.gov/privacy.*

Docket: Background documents or comments received may be read at *http://www.regulations.gov* at any time. Follow the online instructions for accessing the docket or go to the Docket Operations in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Keira Jones (202) 267–4025, Office of Rulemaking, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on July 14, 2015.

Lirio Liu,

Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2015–2192.

Petitioner: William Robertson.

Section(s) of 14 CFR Affected: §§ 61.153(e), 61.165(f)(1), and (2).

Description of Relief Sought: William Robertson holds an airline transport pilot (ATP) certificate in the airplane category with a single engine class rating and seeks relief to add a multiengine class rating to his ATP certificate without complying with the training and knowledge testing requirements. Based upon previous academic training, flight training, and professional pilot experience, the petitioner seeks exemption from § 61.153(e), which requires applicants seeking an ATP certificate in the airplane category with a multiengine class rating to complete the training required in § 61.156 before applying for the knowledge test required by § 61.153(g). In addition, the petitioner seeks exemption from §§ 61.165(f)(1) and (2), which require an applicant seeking to add a multiengine class rating to an ATP certificate with a single engine class rating to meet the eligibility requirements of § 61.153 and pass a knowledge test on the aeronautical knowledge areas of § 61.155(c) as applicable to multiengine airplanes.

[FR Doc. 2015–17611 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Notice of Final Federal Agency Actions on the Route 624 Bridge Replacement Project in Virginia

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Limitation on Claims for Judicial Review of Actions by FHWA.

SUMMARY: This notice announces actions taken by the FHWA that are final within the meaning of 23 U.S.C. 139(*l*)(1). The actions relate to the replacement of the Route 624, Morgan Ford Low Water Bridge over the Shenandoah River in the Warren County, Virginia. Those actions grant licenses, permits, and approvals for the project.

DATES: By this notice, the FHWA is advising the public of final agency actions subject to 23 U.S.C. 139(*l*)(1). A claim seeking judicial review of the Federal agency actions on the project will be barred unless the claim is filed on or before *August 3, 2015.* Notwithstanding any other provision of law, a claim arising under Federal law seeking judicial review of a permit, license, or approval issued by a Federal agency for a highway or public transportation capital project shall be barred unless it is filed within 150 days after publication of a notice in the **Federal Register** announcing that the permit, license, or approval is final pursuant to the law under which the agency action is taken, unless a shorter time is specified in the Federal law pursuant to which judicial review is allowed.

FOR FURTHER INFORMATION CONTACT: Mr. Mack Frost, Planning and Environmental Specialist, Federal Highway Administration, 400 North 8th Street, Richmond, Virginia, 23219; telephone: (804) 775–3352; email: *Mack.frost@dot.gov.* The FHWA Virginia Division Office's normal business hours are 7:00 a.m. to 5:00 p.m. (Eastern Time). For the Virginia Department of Transportation: Mr. Robert Jones, 811 Commerce Road, Staunton, VA 24401; email: *Rw.jones@vdot.virginia.gov;* telephone: (540) 332–9101.

SUPPLEMENTARY INFORMATION: Notice is hereby given that FHWA has taken final agency actions subject to 23 U.S.C. 139(*l*)(1) by issuing licenses, permits, and approvals for the following project in the State of Virginia: Replacement of the Route 624, Morgan Ford Low Water Bridge over the Shenandoah River. The project would involve constructing a new structure and approaches to carry two travel lanes. The actions taken by FHWA, and the laws under which such actions were taken, are described in the Categorical Exclusion (CE). The CE was approved on February 2, 2015. These documents and other project records are available by contacting FHWA or the Virginia Department of Transportation at the phone numbers and addresses provided above.

This notice applies to all Federal agency decisions as of the issuance date of this notice and all laws under which such actions were taken, including but not limited to:

1. *General:* National Environmental Policy Act (NEPA) [42 U.S.C. 4321–4351]; Federal-Aid Highway Act (FAHA) [23 U.S.C. 109 and 23 U.S.C. 128].

2. *Air:* Clean Air Act [42 U.S.C. 7401–7671(q)].

3. *Land:* Section 4(f) of the Department of Transportation Act of 1966 [23 U.S.C. 138 and 49 U.S.C. 303].

4. *Historic and Cultural Resources:* Section 106 of the National Historic Preservation Act of 1966, as amended [16 U.S.C. 470(f) *et seq.*].

5. *Social and Economic:* Farmland Protection Policy Act [7 U.S.C. 4201–4209].

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

Authority: 23 U.S.C 139(*l*)(1).

Issued On: July 10, 2015.

John Simkins,

Planning and Environment Team Leader.

[FR Doc. 2015–17569 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–22–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–2012–0159, Notice 2]

Decision That Nonconforming 2006–2010 BMW M3 Passenger Cars Are Eligible for Importation

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Grant of petition.

SUMMARY: This document announces a decision by the National Highway Traffic Safety Administration that certain 2006–2010 BMW M3 passenger cars (PCs) that were not originally manufactured to comply with all applicable Federal Motor Vehicle Safety Standards (FMVSS) are eligible for importation into the United States because they are substantially similar to vehicles originally manufactured for sale in the United States that were certified by their manufacturer as complying with all applicable FMVSS (the U.S. certified version of the 2006–2010 BMW M3 PC), and they are capable of being readily altered to conform to the standards.

DATES: This decision became effective on July 13, 2015.

ADDRESSES: For further information contact George Stevens, Office of Vehicle Safety Compliance, NHTSA (202–366–5308).

SUPPLEMENTARY INFORMATION:

Background

Under 49 U.S.C. 30141(a)(1)(A), a motor vehicle that was not originally manufactured to conform to all applicable FMVSS shall be refused admission into the United States unless NHTSA has decided that the motor vehicle is substantially similar to a motor vehicle originally manufactured for importation into and sale in the United States, certified as required under 49 U.S.C. 30115, and of the same model year as the model of the motor vehicle to be compared, and is capable of being readily altered to conform to all applicable FMVSS.

Petitions for eligibility decisions may be submitted by either manufacturers or importers who have registered with NHTSA pursuant to 49 CFR part 592. As specified in 49 CFR 593.7, NHTSA publishes notice in the **Federal Register** of each petition that it receives, and affords interested persons an opportunity to comment on the petition. At the close of the comment period, NHTSA decides, on the basis of the petition and any comments that it has received, whether the vehicle is eligible for importation. The agency then publishes this decision in the **Federal Register**.

US Specs, of Havre de Grace, Maryland (Registered Importer 03–321), petitioned NHTSA to decide whether 2006–2010 BMW M3 PCs are eligible for importation into the United States. NHTSA published a notice of the petition on December 28, 2012 (77 FR 76598) to afford an opportunity for public comment. The reader is referred to that notice for a thorough description of the petition.

Comments

On January 28, 2013, J.K. Technologies, LLC (JK), another Registered Importer, submitted comments on the petition. In its comments, JK expressed the belief that the petition contained several omissions and errors.

On May 20, 2013, US Specs responded, in part, to JK's comments by submitting to NHTSA a revised listing of parts associated with FMVSS No. 208 compliance.

On October 21, 2013, NHTSA informed US Specs by letter that the parts listing it submitted appeared to only partially address the comments made by JK. The agency offered US Specs the opportunity to further address JK's comments.

On December 2, 2013 US Specs submitted further comments and parts information to NHTSA.

A summary of JK's comments, US Specs' responses, and the conclusions that NHTSA has reached with regard to the issues raised by those parties is set forth below.

Comments, Conclusions and Conditions

JK commented that the software alterations necessary to conform the vehicles to FMVSS No. 114 *Theft Protection and Rollaway Prevention* may also require replacement of the CAS (theft prevention electronic control unit or ''ECU'') hardware because some versions of the European CAS units will not accept U.S.-model programming.

US Specs responded: ''Each vehicle will need to be inspected on a case-by-case basis to see that they contain US parts. The US parts will be installed if not already so equipped. The Digital Motor Electronics and Car Access System control unit will be replaced and programmed as necessary.''

JK also commented that US Specs did not include in its description of modifications needed to conform the vehicles to FMVSS No. 208 *Occupant Crash Protection* the need to replace the following components with U.S.-model components: Driver's airbag, front acceleration sensors (including front body wiring harness and mounting hardware), front door sensors (including center body wiring harness and mounting hardware), and rear seat belts. JK also commented that the system ECU's will have to be reprogrammed and may require replacement.

US Specs responded by submitting additional parts lists and diagrams and by stating: ''Each vehicle will need to be inspected on a case-by-case basis to see if they contain the US-model parts. The US-model parts will be installed if a vehicle is not already so equipped. The Digital Motor Electronics and Car Access System control units will also be replaced and reprogrammed as necessary.''

JK also commented that in order for the vehicle to be conformed to FMVSS No. 301 *Fuel System Integrity,* the following U.S.-model parts would have to be substituted for those originally equipped on the vehicle: Fuel tank, filler neck, all fuel and vapor lines, and vapor storage canister.

US Specs responded by stating that BMW uses many of the same components for multiple vehicles worldwide. US Specs further stated that each vehicle will need to be inspected on a case by case basis to see if it contains the US-model parts and that US-model parts will be installed on vehicles not already so equipped. US Specs also provided additional parts lists and diagrams.

After reviewing the petition, JK's comments and US Specs' responses to those comments, NHTSA has concluded that the vehicles covered by the petition are capable of being readily altered to comply with all applicable FMVSS. However, in light of JK's comments and consistent with recent decisions that the agency has made in granting several import eligibility petitions for late-model vehicles (See Docket Numbers: NHTSA–2013–0107, NHTSA–2013–0108, and NHTSA–2014–0004), NHTSA has decided that an RI who imports or modifies the subject vehicles must include a detailed description of all modifications it makes to achieve conformity with applicable FMVSS in each statement of conformity with supporting documents (referred to as a ''conformity package'') it submits to NHTSA under 49 CFR part 592.6(d).

The description of the alterations must include: Identification of all parts removed and installed, how software programming changes were completed, and how compliance was verified after alterations were performed. The descriptions must be accompanied by photographs of the software installation and testing systems used, as well as printouts and/or screenshots of their displays showing successful software installation or reports indicating such results.

With regard to FMVSS No. 208, NHTSA has decided that each conformity package must also include a detailed description of the occupant protection system in place on the vehicle at the time it was delivered to the RI, and a similarly detailed description of the occupant protection system in place after the vehicle is altered, including photographs of all labeling required by FMVSS No. 208. The description must also include parts assembly diagrams.

Should an RI decide to alter the vehicles to conform to FMVSS No. 138, *Tire Pressure Monitoring Systems* by adding TPMS system, it must submit a test report verifying that the vehicle meets the requirements of the standard with the system installed or refer to such a test report previously submitted to verify that the installed system allowed a vehicle of the same make, model, and model year to achieve conformity with FMVSS No. 138.

In addition to the information specified above, each conformity package must include information showing how the RI verified that the changes it made in loading or reprograming vehicle software to achieve conformity with each individual FMVSS did not cause the vehicle to fall out of compliance with any other applicable FMVSS.

Decision

Accordingly, on the basis of the foregoing, NHTSA hereby decides that MY 2006–2010 BMW M3 passenger cars that were not originally manufactured to comply with all applicable FMVSS are substantially similar to 2006–2010 BMW M3 PCs manufactured for importation into and/or sale in the United States, and certified under 49 U.S.C. 30115, and are capable of being readily altered to conform to all applicable Federal Motor Vehicle Safety Standards.

Vehicle Eligibility Number for Subject Vehicles

The importer of a vehicle admissible under any final decision must indicate on the form HS–7 accompanying entry the appropriate vehicle eligibility number indicating that the vehicle is eligible for entry. VSP–571 is the vehicle eligibility number assigned to vehicles admissible under this notice of final decision.

Authority: 49 U.S.C. 30118, 30120: Delegations of authority at 49 CFR 1.95 and 501.8.

Jeffrey Giuseppe,

Director, Office of Vehicle Safety Compliance.

[FR Doc. 2015–17507 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–59–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–2013–0066; Notice 2]

Ford Motor Company, Grant of Petition for Decision of Inconsequential Noncompliance

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Grant of petition.

SUMMARY: Ford Motor Company (Ford) has determined that certain model year (MY) 2013 Ford Fusion and Lincoln MKZ passenger cars built from August 12, 2012 through January 14, 2013 do not fully comply with paragraph S3.1.4.1(a) of Federal Motor Vehicle Safety Standard (FMVSS) No. 102 *Transmission Shift Position Sequence, Starter Interlock, and Transmission Braking Effect,* or paragraph S5.2.1 of FMVSS No. 114 *Theft Protection and Rollaway Prevention.* Ford has filed an appropriate report dated March 4, 2013, pursuant to 49 CFR part 573, *Defect and Noncompliance Responsibility and Reports.*

ADDRESSES: For further information on this decision contact Amina Fisher, Office of Vehicle Safety Compliance, the National Highway Traffic Safety Administration (NHTSA), telephone (202) 366–5307, facsimile (202) 366–7002.

SUPPLEMENTARY INFORMATION:

I. *Overview:* Pursuant to 49 U.S.C. 30118(d) and 30120(h) and the rule implementing those provisions at 49 CFR part 556, Ford has petitioned for an exemption from the notification and remedy requirements of 49 U.S.C. Chapter 301 on the basis that this noncompliance is inconsequential to motor vehicle safety.

Ford submitted its petition on March 21, 2013. On February 11, 2014, Ford submitted a petition supplement to clarify how the specific vehicles affected do not fully comply with FMVSS No. 102 and FMVSS No. 114.

Notice of receipt of the petition was published, with a 30-day public comment period, on March 3, 2014, in the **Federal Register** (79 FR 11871.) No comments were received. To view the petition and all supporting documents log onto the Federal Docket Management System (FDMS) Web site at: *http://www.regulations.gov/.* Then follow the online search instructions to locate docket number ''NHTSA–2013–0066.''

II. *Vehicles Involved:* Affected are approximately 4,727 MY 2013 Ford Fusion and Lincoln MKZ passenger cars built from August 12, 2012 through January 14, 2013 at the Hermosillo Stamping and Assembly Plant (HSAP) in Hermosillo, Mexico.

III. *Noncompliance:* Ford has determined that because the affected vehicles were inadvertently shipped to dealers in the ''Factory Mode'' instead of ''Transport Mode,'' the transmission gear selected in relation to other gears is not always displayed by the shift position sequence indicator (aka, PRNDL) as required by paragraph S3.1.4.1(a) of FMVSS No. 102. In addition, the affected Ford Fusion vehicles manufactured with mechanical key ignition systems do not fully meet the requirements of paragraph S5.2.1 of FMVSS No. 114 because under certain conditions the mechanical key may be removed from the ignition lock cylinder when the transmission shift lever is in a position other than ''park.''

IV. *Rule Text:* Paragraph S3.1.4.1(a) of FMVSS No. 102 specifically states:

> S3.1.4.1 Except as specified in S3.1.4.3, if the transmission shift position sequence includes a park position, identification of shift positions, including the positions in relation to each other and the position selected, shall be displayed in view of the driver whenever any of the following conditions exist:
>
> (a) The ignition is in a position where the transmission can be shifted; . . .

Paragraph S5.2.1 of FMVSS No. 114 specifically states:

> S5.2.1 Except as specified in S5.2.3, the starting system required by S5.1 must prevent key removal when tested according to the procedures in S6, unless the transmission or gear selection control is locked in ''park'' or becomes locked in ''park'' as a direct result of key removal.

V. *Summary of Ford's Analyses:* Ford stated its belief that the subject noncompliance is inconsequential to motor vehicle safety for the following reasons:

1. The vehicle design is self-remedying. The affected vehicles are

designed to automatically switch from Factory Mode to Transport Mode after 60 key cycles (beginning with assembly line initialization). Once in Transport Mode the vehicles are fully compliant with FMVSS requirements.

2. While in Factory Mode, affected vehicles clearly display the message ''Factory Mode Contact Dealer'' in either the message center or instrument cluster. Additionally, the ''Factory Mode Contact Dealer'' message does not obscure any regulatory malfunction indicator lamps, or (non-mandated) cautionary warnings.

3. The dealership's Pre-Delivery Inspection instructions require dealerships to change the vehicle into Customer Mode, prior to delivery, which ensures the condition will be remedied before delivery to the customer. Ford is not aware of any of the subject vehicles being delivered to customers in Factory Mode.

4. All other requirements of FMVSS No. 102 and FMVSS No. 114 are fully satisfied.

5. Ford is not aware of any owner complaints, accidents, or injuries attributed to this condition.

Ford has additionally informed NHTSA that it has corrected the noncompliance so that all future vehicles will comply with FMVSS Nos. 102 and 114.

In summation, Ford believes that the described noncompliance of the subject vehicles is inconsequential to motor vehicle safety, and that its petition, to exempt from providing recall notification of noncompliance as required by 49 U.S.C. 30118 and remedying the recall noncompliance as required by 49 U.S.C. 30120 should be granted.

VI. NHTSA Decision

NHTSA's Analysis of Ford's Arguments: Ford stated that while in Factory Mode, affected vehicles clearly display the message ''Factory Mode—Contact Dealer'' in a manner that does not obscure any regulatory malfunction indicator lamps. If a consumer were to receive a vehicle in Factory Mode the aforementioned warning message will alert the driver in a clear manner. The consumer would then most likely contact the dealer, as instructed, who would provide remedy for the condition. If the consumer chose not to contact the dealer, the FMVSS No. 102 noncompliance of not displaying shift positions would only occur when the engine is not running and the battery voltage falls below 12.3 volts. The PRNDL shift level positions will be properly illuminated whenever the engine is running under both stationary and moving conditions.

With regards to the FMVSS No. 114 noncompliance Ford stated that while in Factory Mode the mechanical key may be removed from the ignition lock cylinder when the transmission shift lever is in a position other than ''park'' if the engine is not running and the CAN network has entered a hibernation mode after approximately 15 seconds of total vehicle electrical inactivity. When a consumer turns their vehicle off they are likely to remove the mechanical key from the cylinder prior to the vehicle reaching 15 seconds of total electrical inactivity. Removing the key prior to these 15 seconds would prevent the vehicle from experiencing a condition noncompliant to FMVSS No. 114 as it would require the transmission control to be shifted to ''park'' before key removal.

Ford stated that dealerships have Pre-Delivery Inspection instructions which require them to change vehicles from Transport Mode to Customer Mode.[1] During this inspection, if the dealership finds any of the subject vehicles in the Factory Mode the mode will be changed directly to the Customer Mode. Actions taken by the dealership during the pre-delivery inspection will ensure noncompliant vehicles are remedied prior to delivery to the customer. These instructions from the manufacturer to their dealerships will help to prevent consumers from receiving vehicles not in Customer Mode.

Lastly, Ford states that the vehicle is designed to be self-remedying and will automatically switch from Factory Mode to the fully compliant Transport Mode after 60 key cycles. If a consumer were to receive a vehicle in Factory Mode and decided to ignore the warning message, their vehicle would automatically switch to a fully compliant mode after the required number of key cycles.

We believe that drivers of the affected vehicles will be sufficiently alerted by the message on the instrument cluster which reads ''Factory Mode—Contact Dealer''. Furthermore, if they choose to ignore this message, the vehicle is designed to be self-remedying after 60 ignition key cycles. Considering the unique conditions involved with these noncompliances, and Ford's statement about the lack of associated complaints, accidents or injuries related to the affected vehicles, Ford's noncompliance is considered inconsequential.

NHTSA's Decision: In consideration of the foregoing, NHTSA has decided that Ford has met its burden of persuasion that the noncompliance described is inconsequential to motor vehicle safety. Accordingly, Ford's petition is hereby granted and Ford is exempted from the obligation of providing notification of, and remedy for the subject noncompliances.

NHTSA notes that the statutory provisions (49 U.S.C. 30118(d) and 30120(h)) that permit manufacturers to file petitions for a determination of inconsequentiality allow NHTSA to exempt manufacturers only from the duties found in sections 30118 and 30120, respectively, to notify owners, purchasers, and dealers of a defect or noncompliance and to remedy the defect or noncompliance. Therefore, this decision only applies to the 4,727 vehicles that Ford no longer controlled at the time it determined that the noncompliance existed. However, the granting of this petition does not relieve vehicle distributors and dealers of the prohibitions on the sale, offer for sale, or introduction for delivery or introduction into interstate commerce of the noncompliant vehicles under their control after Ford notified them that the subject noncompliance existed.

Authority: 49 U.S.C. 30118, 30120: delegations of authority at 49 CFR 1.95 and 501.8.

Jeffrey Giuseppe,

Director, Office of Vehicle Safety Compliance.

[FR Doc. 2015–17506 Filed 7–16–15; 8:45 am]

BILLING CODE 4910–59–P

[1] According to Ford, both Transport and Customer Modes are fully compliant with all FMVSS No. 102 and FMVSS No. 114 requirements. The only difference between the two modes is the automatic timing set for placing the vehicle into its ''Battery Saver'' condition. In the Transport Mode the battery saver condition occurs after 1 minute of inactivity to minimize battery drain during transport from the OEM factory to the vehicle dealership, whereas, in the Customer Mode the battery saver condition occurs after ten minutes of inactivity, the timing is extended for customer conveniences while parked. Ford also explained that if the vehicle were to be inadvertently left in the Transport Mode upon delivery to the customer, the vehicle would automatically shift to the Customer Mode after 50–62 miles.

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35936]

Piedmont Railway LLC—Lease and Operation Exemption—North Carolina Department of Transportation

Piedmont Railway LLC (Piedmont),[1] a noncarrier, has filed a verified notice of

[1] Piedmont is a new, limited liability company and an indirect corporate subsidiary of Iowa Pacific Holdings, LLC, which owns 100% of Permian Basin Railways, Inc., which in turn will own 100% of Piedmont.

exemption under 49 CFR 1150.31(a)(3) to lease from the North Carolina Department of Transportation (NCDOT), and to operate, approximately 13 miles of rail line in Gaston County, N.C., consisting of the following two segments: (1) Between milepost SFC 11.39 at Mt. Holly, N.C., and milepost SFC 23.0 at Gastonia, N.C.; and (2) the Belmont Branch, between milepost SFC 13.6/SFF 0.13 and milepost SFF 1.56, including all sidings, industrial tracks, yard, and storage tracks, pursuant to a lease and operating agreement dated May 13, 2015.

This transaction is related to a concurrently filed verified notice of exemption in *Iowa Pacific Holdings, LLC and Permian Basin Railways—Continuance in Control Exemption—Piedmont Railway LLC,* Docket No. FD 35937, in which Iowa Pacific Holdings, LLC and Permian Basin Railways seek Board approval to continue in control of Piedmont under 49 CFR 1180.2(d)(2), upon Piedmont's becoming a Class III rail carrier.

According to Piedmont, it will replace the existing rail carrier, Piedmont and Northern Railway, LLC, a subsidiary of Patriot Rail Company LLC., and will be the sole provider of common carrier rail service on the 13-mile line pursuant to the ''change in operators'' provision of section 1150.31(a)(3).

Piedmont certifies that the projected annual revenues as a result of this transaction will not result in Piedmont becoming a Class I or Class II rail carrier and will not exceed $5 million. Piedmont states that there are no agreements applicable to the line imposing any interchange commitments.

Piedmont intends to consummate this transaction on or about August 1, 2015. If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed by July 24, 2015 (at least seven days prior to the date the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35936, must be filed with the Surface Transportation Board 395 E Street SW., Washington, DC 20423–0001. In addition, a copy of each pleading must be served on applicant's representative, John D. Heffner, Strasburger & Price, LLP, 1025 Connecticut Ave. NW., Suite 717, Washington, DC 20036.

Board decisions and notices are available on our Web site at *WWW.STB.DOT.GOV.*

Decided: July 13, 2015.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

Jeffrey Herzig,

Clearance Clerk.

[FR Doc. 2015–17573 Filed 7–16–15; 8:45 am]

BILLING CODE 4915–01–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[Docket No. FD 35937]

Iowa Pacific Holdings, LLC and Permian Basin Railways—Continuance in Control Exemption—Piedmont Railway LLC

Iowa Pacific Holdings, LLC (IPH), and its wholly owned subsidiary, Permian Basin Railways (PBR) (collectively, applicants) have jointly filed a verified notice of exemption pursuant to 49 CFR 1180.2(d)(2) to continue in control of Piedmont Railway LLC (Piedmont), upon Piedmont's becoming a Class III rail carrier.[1]

This transaction is related to a concurrently filed verified notice of exemption in *Piedmont Railway LLC—Lease & Operation Exemption—North Carolina Department of Transportation,* Docket No. FD 35936, wherein Piedmont seeks Board approval to lease and operate approximately 13 miles of rail line owned by the North Carolina Department of Transportation (NCDOT) in Gaston County, N.C. The line consists of two segments: (1) between milepost SFC 11.39 at Mt. Holly, N.C., and milepost SFC 23.0 at Gastonia, N.C.; and (2) the Belmont Branch, between milepost SFC 13.6/SFF 0.13 and milepost SFF 1.56, including all sidings, industrial tracks, yard, and storage tracks.

The parties intend to consummate the proposed transaction on August 1, 2015.

Applicants currently control 13 Class III rail carriers, operating in 10 states. For a complete list of these rail carriers, and the states in which they operate, see applicants' notice of exemption filed on July 1, 2015. The notice is available on the Board's Web site at ''*WWW.STB.DOT.GOV.*''

Applicants certify that: (1) The rail lines to be operated by Piedmont do not connect with any other railroads operated by the carriers in the applicants' corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the rail lines to be operated by Piedmont with any other railroad in applicants' corporate family; and (3) the transaction does not involve a Class I rail carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. 11323. *See* 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under §§ 11324 and 11325 that involve only Class III rail carriers. Accordingly, the Board may not impose labor protective conditions here, because all of the carriers involved are Class III carriers.

If the notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Stay petitions must be filed no later than July 24, 2015 (at least seven days before the exemption becomes effective).

An original and 10 copies of all pleadings, referring to Docket No. FD 35937, must be filed with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001. In addition, one copy of each pleading must be served on John D. Heffner, Strasburger & Price, LLP, 1025 Connecticut Ave. NW., Suite 717, Washington, DC 20036.

Board decisions and notices are available on our Web site at ''*WWW.STB.DOT.GOV.*''

Decided: July 13, 2015.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

Jeffrey Herzig,

Clearance Clerk.

[FR Doc. 2015–17574 Filed 7–16–15; 8:45 am]

BILLING CODE 4915–01–P

[1] Piedmont is a new, limited liability company and an indirect corporate subsidiary of IPH, which owns 100% of PBR, which in turn, will own 100% of Piedmont.

DEPARTMENT OF THE TREASURY

Notice of Geographic Targeting Order

AGENCY: Financial Crimes Enforcement Network, Treasury.

ACTION: Notice.

SUMMARY: This document provides notice that, pursuant to 31 U.S.C. 5326(a), the Director of the Financial Crimes Enforcement Network

(''FinCEN''), U.S. Department of the Treasury, issued on July 13, 2015 a Geographic Targeting Order (''Order'') requiring check cashers located in two South Florida counties to obtain and record identifying information about persons cashing Federal tax refund checks in excess of $1,000, as further described in the Order.

DATES: This Notice is effective on July 17, 2015.

FOR FURTHER INFORMATION CONTACT: All questions about the Order must be addressed to the FinCEN Resource Center at (800) 767–2825 (Monday through Friday, 8:00 a.m.–6:00 p.m. EST).

SUPPLEMENTARY INFORMATION: The Geographic Targeting Order is published as an attachment to this notice.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network, U.S. Department of Treasury.

Geographic Targeting Order

I. Authority

The Director of FinCEN may issue an order that imposes certain additional recordkeeping and reporting requirements on one or more domestic financial institutions or nonfinancial trades or businesses in a geographic area. *See* 31 U.S.C. 5326(a); 31 CFR 1010.370; Treasury Order 180–01. Pursuant to this authority, the Director of FinCEN hereby finds that reasonable grounds exist for concluding that the additional recordkeeping requirements described below are necessary to carry out the purposes of the Bank Secrecy Act and prevent evasions thereof.[1]

II. Additional Recordkeeping Requirements

A. Check Cashers and Transactions Covered by This Order

For purposes of this Order, a ''Covered Business'' means a check casher, as defined under 31 CFR 1010.100(ff)(2), that maintains a location (including a branch or agent location) in one of the following counties in the State of Florida: Miami-Dade County or Broward County (the ''Covered Geographic Area'').

For purposes of this Order, a ''Covered Transaction'' means any transaction in which a Covered Business cashes a Federal tax refund check in excess of $1,000 within the Covered Geographic Area. A Federal tax refund check includes (i) a U.S. Treasury check used to pay a tax refund, or (ii) a check issued by a third party in connection with an anticipated Federal tax refund (*e.g.,* a Refund Anticipation Loan check).

B. Records Required To Be Obtained by a Covered Business When Engaging in a Covered Transaction

If a Covered Business engages in a Covered Transaction, the Covered Business must obtain at the time of the Covered Transaction and record the following identifying information about the customer conducting the transaction:

(i) A copy of the customer's valid government-issued identification, which must evidence nationality or residence, include a photograph of the customer, and be issued in the same name as that of the original payee of the check;[2]

(ii) a clear digital photograph of the customer taken at the time of the Covered Transaction that matches the photograph depicted on the identification provided by the customer;[3]

(iii) the customer's phone number; and

(iv) a clear original thumbprint of the customer that is recorded on the check.

C. Retention of Records

A Covered Business must: (i) Retain all records relating to compliance with this Order for a period of five years from the last day that this Order is effective (including any renewals of this Order); (ii) store such records in a manner accessible within a reasonable period of time; and (iii) make such records available to FinCEN or any other appropriate law enforcement or regulatory agency, upon request.

III. General Provisions

A. Definitions

All terms used but not otherwise defined herein have the meaning set forth in Chapter X of Title 31 of the United States Code of Federal Regulations.

B. Order Period

The terms of this Order are effective beginning on August 3, 2015 and ending on January 30, 2016 (except as otherwise provided in Section II(C) above).

C. No Effect on Other Provisions of the Bank Secrecy Act

Nothing in this Order modifies or otherwise affects any provision of the regulations implementing the Bank Secrecy Act to the extent not expressly stated herein.

D. Compliance

A Covered Business must supervise, and is responsible for, compliance by each of its officers, directors, and employees with the terms of this Order. A Covered Business must transmit the Order to its Chief Executive Officer or other similarly acting manager.

E. Penalties for Noncompliance

A Covered Business and any of its officers, directors, employees, or agents may be liable, without limitation, for civil and/or criminal penalties for violating any of the terms of this Order.

F. Validity of Order

Any judicial determination that any provision of this Order is invalid does not affect the validity of any other provision of this Order, and each other provision must thereafter remain in full force and effect. A copy of this Order carries the full force and effect of an original signed Order.

G. Paperwork Reduction Act

The collection of information subject to the Paperwork Reduction Act contained in this Order has been approved by the Office of Management and Budget (''OMB'') and assigned OMB Control Number 1506–0056.

H. Questions

All questions about the Order must be addressed to the FinCEN Resource Center at (800) 767–2825 (Monday through Friday, 8:00 a.m.–6:00 p.m. EST).

Dated: July 8, 2015.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network, U.S. Department of the Treasury.

[FR Doc. 2015–17572 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–02–P

[1] The Bank Secrecy Act is codified at 12 U.S.C. 1829b, 1951–1959 and 31 U.S.C. 5311–5314, 5316–5332. Regulations implementing the Bank Secrecy Act appear at 31 CFR Chapter X.

[2] For example, a driver's license or passport are acceptable forms of identification.

[3] An image captured by a surveillance video is not sufficient to satisfy this photograph requirement.

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Proposed Renewal Without Change; Comment Request; Customer Identification Programs for Various Financial Institutions

AGENCY: Financial Crimes Enforcement Network (''FinCEN''), Treasury.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork and respondent burden, FinCEN invites comment on a proposed renewal, without change, to information collections found in regulations requiring futures commission merchants, introducing brokers, banks, savings associations, credit unions, certain non-federally regulated banks, mutual funds, and broker-dealers, to develop and implement customer identification programs reasonably designed to prevent those financial institutions from being used to facilitate money laundering and the financing of terrorist activities. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995, Public Law 104–13, 44 U.S.C. 3506(c)(2)(A).

DATES: Written comments are welcome and must be received on or before September 15, 2015.

ADDRESSES: Written comments should be submitted to: Policy Division, Financial Crimes Enforcement Network, Department of the Treasury, P.O. Box 39, Vienna, VA 22183, Attention: Customer Identification Program Comments. Comments also may be submitted by electronic mail to the following Internet address: *regcomments@fincen.gov,* again with a caption, in the body of the text, ''Attention: Customer Identification Program Comments.''

Inspection of comments: Persons wishing to inspect the comments submitted must request an appointment with the Disclosure Officer by telephoning (703) 905–5034 (Not a toll free call).

FOR FURTHER INFORMATION CONTACT: FinCEN Resource Center at 1–800–767–2825 or 1–703–905–3591 (not a toll free number) and select option 3 for regulatory questions. Email inquiries can be sent to *FRC@fincen.gov*.

SUPPLEMENTARY INFORMATION:

Abstract: FinCEN exercises regulatory functions primarily under the Currency and Financial Transactions Reporting Act of 1970, as amended by the USA PATRIOT Act of 2001 and other legislation. This legislative framework is commonly referred to as the ''Bank Secrecy Act'' (''BSA'').[1] The Secretary of the Treasury has delegated to the Director of FinCEN the authority to implement, administer and enforce compliance with the BSA and associated regulations.[2] Pursuant to this authority, FinCEN may issue regulations requiring financial institutions to keep records and file reports that ''have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism'' [3] Additionally, FinCEN is authorized to impose regulations to maintain procedures to ensure compliance with the BSA and FinCEN's implementing regulations, or to guard against money laundering, which includes imposing anti-money laundering (''AML'') program requirements on financial institutions.[4]

Section 5318(l) of the BSA authorizes FinCEN to issue regulations prescribing customer identification programs for financial institutions. The regulations must require that, at a minimum, financial institutions implement reasonable procedures for (1) verifying the identity of any person seeking to open an account, to the extent reasonable and practicable; (2) maintaining records of the information used to verify the person's identity, including name, address, and other identifying information; and (3) determining whether the person appears on any lists of known or suspected terrorists or terrorist organizations provided to the financial institution by any government agency. The regulations are to take into consideration the various types of accounts maintained by various types of financial institutions, the various methods of opening accounts, and the various types of identifying information available. Regulations implementing section 5318(l) are found at 31 CFR 1020.220, 1023.220, 1026.220, and 1024.220.

1. *Title:* Customer identification programs for banks, savings associations, credit unions, and certain non-federally regulated banks. (31 CFR 1020.220).

Office of Management and Budget Control Number (OMB): 1506–0026.

Abstract: Banks, savings associations, credit unions, and certain non-federally regulated banks are required to develop and maintain customer identification programs and provide their customers with notice of the programs. (See FR 68, 25090, May 9, 2003).

Current Action: There is no change to existing regulations.

Type of Review: Extension of a currently approved information collection.

Affected Public: Business and other for-profit institutions and non-profit institutions.

Burden: Estimated Number of Respondents 22,060.

Estimated average annual recordkeeping burden per respondent: 10 hours.

Estimated average annual disclosure burden per respondent: 1 hour.

Estimated Total Annual Respondent Burden: 242,660 hours.

2. *Title:* Customer identification program for broker-dealers (31 CFR 1023.220).

OMB Control Number: 1506–0034.

Abstract: Broker-dealers are required to establish and maintain customer identification programs and provide their customers with notice of the programs. (See FR 68, 25113, May 9, 2003).

Current Action: There is no change to existing regulations.

Type of Review: Extension of a currently approved information collection.

Affected Public: Business and other for profit institutions.

Burden: Estimated Number of Respondents 5,448.

Estimated Average Annual Burden per Respondent: The estimated average burden associated with the notice requirement is two minutes per respondent. FinCEN estimates 18,926,880 responses.

Estimated Number of Hours: 630,896.

3. *Title:* Customer identification programs for futures commission merchants and introducing brokers (31 CFR 1026.220).

OMB Control Number: 1506–0022.

Abstract: Futures commission merchants and introducing brokers are required to develop and maintain customer identification programs and provide their customers with notice of the programs. (See FR 68, 25149, May 9, 2003).

Current Action: There is no change to existing regulations.

Type of Review: Extension of a currently approved information collection.

Affected Public: Business and other for profit institutions.

Burden: Estimated Number of Respondents: 1856. (Recordkeeping average of 10 hours per customer; Explanation of program average of 1 hour per response).

Estimated Number of Hours: 20,416.

4. *Title:* Customer identification programs for mutual funds (31 CFR 1024.220).

OMB Control Number: 1505–0033.

Abstract: Mutual funds are required to establish and maintain customer

[1] The BSA is codified at 12 U.S.C. 1829b, 12 U.S.C. 1951–1959, 31 U.S.C. 5311–5314 and 5316–5332 and notes thereto, with implementing regulations at 31 CFR Chapter X. *See* 31 CFR 1010.100(e).

[2] Treasury Order 180–01 (Jul. 1, 2014).

[3] 31 U.S.C. 5311.

[4] 31 U.S.C. 5318(a) and (h).

identification programs and provide their customers with notice of the programs. (See FR 68, 25131, May 9, 2003).

Current Action: There is no change to existing regulations.

Type of Review: Extension of a currently approved information collection.

Affected Public: Business and other for profit institutions.

Burden: Estimated Number of Respondents: 2,296.

Estimated Average Annual Burden per Respondent: The estimated average burden associated with the notice requirement is 2 minutes per respondent. FinCEN estimates 8,001,000 responses.

Estimated Number of Hours: 266,700.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget. Records required to be retained under the BSA must be retained for five years. Generally, information collected pursuant to the BSA is confidential but may be shared as provided by law with regulatory and law enforcement authorities.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected: (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance and purchase of services to provide information.

Dated: July 13, 2015.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2015–17625 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Agency Information Collection Activities; Proposed Collection; Comment Request; Report of International Transportation of Currency or Monetary Instruments

AGENCY: Financial Crimes Enforcement Network (''FinCEN''), Treasury.

ACTION: Notice and request for comments regarding the renewal without change of the Report of International Transportation of Currency or Monetary Instruments (''CMIR'').

SUMMARY: As part of our continuing effort to reduce paperwork and respondent burden, FinCEN invites the general public and other Federal agencies to comment on an information collection requirement concerning the CMIR. This request for comment is being made pursuant to the Paperwork Reduction Act of 1995 (''PRA''), Public Law 10 U.S.C. 3506(c)(2)(A)).

DATES: Written comments should be received on or before September 15, 2015 to be assured of consideration.

ADDRESSES: Direct all written comments to: Policy Division, Financial Crimes Enforcement Network, Department of the Treasury, P.O. Box 39, Vienna, VA 22183–0039, *Attention:* PRA Comments—Report of International Transportation of Currency or Monetary Instruments. Comments also may be submitted by electronic mail to the following Internet address: ''*regcomments@fincen.gov*'' with the caption in the body of the text, ''*Attention:* PRA Comments—Report of International Transportation of Currency or Monetary Instruments.''

Inspection of comments: Persons wishing to inspect the comments submitted must request an appointment with the Disclosure Officer by telephoning (703) 905–5034 (Not a toll free call).

FOR FURTHER INFORMATION CONTACT: FinCEN Resource Center at 1–800–767–2825 or 1–703–905–3591 (not a toll free number) and select option 3 for regulatory questions. Email inquiries can be sent to *FRC@fincen.gov.*

A copy of the form may also be obtained from the FinCEN Web site at *http://www.fincen.gov/forms/files/fin105_cmir.pdf.*

SUPPLEMENTARY INFORMATION:

Title: Report of International Transportation of Currency or Monetary Instruments (CMIR).

Office of Management and Budget Number (''OMB''): 1506–0014.

Form Number: FinCEN Form 105.

Abstract: FinCEN exercises regulatory functions primarily under the Currency and Financial Transactions Reporting Act of 1970, as amended by the USA PATRIOT Act of 2001 and other legislation. This legislative framework is commonly referred to as the ''Bank Secrecy Act'' (''BSA'').[1] The Secretary of the Treasury has delegated to the Director of FinCEN the authority to implement, administer and enforce compliance with the BSA and associated regulations.[2] Pursuant to this authority, FinCEN may issue regulations requiring financial institutions to keep records and file reports that ''have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism.''[3] Additionally, FinCEN is authorized to impose regulations to maintain procedures to ensure compliance with the BSA and FinCEN's implementing regulations, or to guard against money laundering, which includes imposing anti-money laundering (''AML'') program requirements on financial institutions.[4]

Pursuant to the BSA, the requirement of 31 U.S.C. 5316(a) has been implemented through regulations promulgated at 31 CFR 1010.340 and through the instructions for the CMIR as follows:

(1) Each person who physically transports, mails, or ships, or causes to be physically transported, mailed, or shipped currency or other monetary instruments in an aggregate amount exceeding $10,000 at one time from the United States to any place outside the United States or into the United States from any place outside the United States, and

(2) Each person who receives in the United States currency or other monetary instruments in an aggregate amount exceeding $10,000 at one time which have been transported, mailed, or shipped to the person from any place outside the United States. A transfer of funds through normal banking procedures, which does not involve the physical transportation of currency or monetary instruments, is not required to be reported on the CMIR.

[1] The BSA is codified at 12 U.S.C. 1829b, 12 U.S.C. 1951–1959, 31 U.S.C. 5311–5314 and 5316–5332 and notes thereto, with implementing regulations at 31 CFR Chapter X. *See* 31 CFR 1010.100(e).

[2] Treasury Order 180–01 (Jul. 1, 2014).

[3] 31 U.S.C. 5311.

[4] 31 U.S.C. 5318(a) and (h).

Information collected on the CMIR is made available, in accordance with strict safeguards, to appropriate criminal law enforcement and regulatory personnel in the official performance of their duties. The information collected is of use in investigations involving international and domestic money laundering, tax evasion, fraud, and other financial crimes.

Current Actions: Renewal without change.

Type of Review: Renewal of a currently approved collection.

Affected Public: Individuals, business or other for-profit institutions, and not-for-profit institutions.

Estimated Number of Respondents: 280,000.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 140,000 hours.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number. Records required to be retained under the BSA must be retained for five years. Generally, information collected pursuant to the BSA is confidential, but may be shared as provided by law with regulatory and law enforcement authorities.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: July 13, 2015.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network

[FR Doc. 2015–17624 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Proposed Renewal; Comment Request; Anti-Money Laundering Programs for Precious Metals, Precious Stones, or Jewels

AGENCY: Financial Crimes Enforcement Network (''FinCEN''), Treasury.

ACTION: Notice and request for comments.

SUMMARY: As part of our continuing effort to reduce paperwork and respondent burden, we invite comment on a proposed renewal, without change, to information collections found in existing regulations requiring dealers in precious metals, stones, or jewels, to develop and implement written anti-money laundering programs reasonably designed to prevent financial institutions from being used to facilitate money laundering and the financing of terrorist activities. This request for comments is being made pursuant to the Paperwork Reduction Act of 1995, Public Law 104–13, 44 U.S.C. 3506(c)(2)(A).

DATES: Written comments are welcome and must be received on or before September 15, 2015.

ADDRESSES: Written comments should be submitted to: Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183, Attention: Anti-Money Laundering Program Comments. Comments also may be submitted by electronic mail to the following Internet address: *regcomments@fincen.gov,* again with a caption, in the body of the text, ''Attention: Anti-Money Laundering Program Comments.''

Inspection of comments. Persons wishing to inspect the comments submitted must request an appointment with the Disclosure Officer by telephoning (703) 905–5034 (Not a toll free call).

FOR FURTHER INFORMATION CONTACT: FinCEN Resource Center at 1–800–767–2825 or 1–703–905–3591 (not a toll free number) and select option 3 for regulatory questions. Email inquiries can be sent to *FRC@fincen.gov.*

SUPPLEMENTARY INFORMATION:

Abstract: FinCEN exercises regulatory functions primarily under the Currency and Financial Transactions Reporting Act of 1970, as amended by the USA PATRIOT Act of 2001 and other legislation. This legislative framework is commonly referred to as the ''Bank Secrecy Act'' (''BSA'').[1] The Secretary of the Treasury has delegated to the Director of FinCEN the authority to implement, administer, and enforce compliance with the BSA and associated regulations.[2] Pursuant to this authority, FinCEN may issue regulations requiring financial institutions to keep records and file reports that ''have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism.[3] Additionally, FinCEN is authorized to impose regulations to maintain procedures to ensure compliance with the BSA and FinCEN's implementing regulations, or to guard against money laundering, which includes imposing anti-money laundering (''AML'') program requirements on financial institutions.[4]

Regulations implementing section 5318(h)(1) of the Act are found in part at 31 CFR 1027.210. In general, the regulations require financial institutions, as defined in 31 U.S.C. 5312(a)(2) and 31 CFR 1010.100 to establish, document, and maintain anti-money laundering programs as an aid in protecting and securing the U.S. financial system.

1. *Title:* Anti-money laundering programs for dealers in precious metals, precious stones, or jewels (31 CFR 1027.210).

OMB Control Number: 1505–0030.

Abstract: Dealers in precious metals, precious stones, or jewels are required to establish and maintain written anti-money laundering programs. A copy of the written program must be maintained for five years.

Current Action: There is no change to existing regulations.

Type of Review: Extension of a currently approved information collection.

Affected Public: Business and other for-profit institutions.

Burden:

Estimated Number of Respondents = 20,000.

Estimated Number of Responses = 20,000.

Estimated Number of Hours = 20,000

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management

[1] The BSA is codified at 12 U.S.C. 1829b, 12 U.S.C. 1951–1959, 31 U.S.C. 5311–5314 and 5316–5332 and notes thereto, with implementing regulations at 31 CFR Chapter X. *See* 31 CFR 1010.100(e).

[2] Treasury Order 180–01 (Jul. 1, 2014).

[3] 31 U.S.C. 5311.

[4] 31 U.S.C. 5318(a) and (h).

and Budget. Records required to be retained under the Bank Secrecy Act must be retained for five years. Generally, information collected pursuant to the Bank Secrecy Act is confidential but may be shared as provided by law with regulatory and law enforcement authorities.

Request for Comments:

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance and purchase of services to provide information.

Dated: July 13, 2015.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2015–17627 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Bureau of the Fiscal Service

Proposed Collection of Information: States Where Licensed for Surety

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on a proposed and/or continuing information collection, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A). Currently the Bureau of the Fiscal Service within the Department of the Treasury is soliciting comments concerning the ''States Where Licensed for Surety.''

DATES: Written comments should be received on or before September 15, 2015 to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of the Fiscal Service, Bruce A. Sharp, 200 Third Street A4–A, Parkersburg, WV 26106–1328, or *bruce.sharp@fiscal.treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies should be directed to Melvin Saunders, Supervisor, Surety Bond Section, 3700 East West Highway, Room 6D22, Hyattsville, MD 20782, (202) 874–5283.

SUPPLEMENTARY INFORMATION:

Title: States Where Licensed for Surety

OMB Number: 1530–0009 (Previously approved as 1510–0013 as a collection conducted by Department of the Treasury/Financial Management Service.) Transfer of OMB Control Number: The Bureau of Public Debt (BPD) and the Financial Management Service (FMS) have consolidated to become the Bureau of the Fiscal Service (Fiscal Service). Information collection requests previously held separately by BPD and FMS will now be identified by a 1530 prefix, designating Fiscal Service.

Abstract: Information is collected from insurance companies in order to provide Federal bond approving officers with this information. The listing of states, by company, appears in Treasury's Circular 570, ''Surety Companies Acceptable on Federal Bonds.''

Current Actions: Extension of a currently approved collection.

Type of Review: Regular.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 262.

Estimated Time per Respondent: 1 hours.

Estimated Total Annual Burden Hours: 262.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: December 23, 2014.

Bruce A. Sharp,

Bureau Clearance Officer.

Editorial Note: This document was received for publication by the Office of the Federal Register on July 14, 2015.

[FR Doc. 2015–17636 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–AS–P

DEPARTMENT OF THE TREASURY

Bureau of the Fiscal Service

Proposed Collection of Information: Collateral Security Resolution and Collateral Pledge and Security Agreement

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on a proposed and/or continuing information collection, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently the Bureau of the Fiscal Service within the Department of the Treasury is soliciting comments concerning ''Collateral Security Resolution'' and ''Collateral Pledge and Security Agreement.''

DATES: Written comments should be received on or before September 15, 2015 to be assured of consideration.

ADDRESSES: Direct all written comments and requests for further information to Bureau of the Fiscal Service, Bruce A. Sharp, 200 Third Street A4–A, Parkersburg, WV 26106–1328, or *bruce.sharp@fiscal.treasury.gov.*

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Mark Stromer, Bank Policy and Oversight Division, Room 314, 401 14th Street SW., Liberty Center Building, Washington, DC 20227, 202–874–7018, or *mark.stromer@fiscal.treasury.gov.*

SUPPLEMENTARY INFORMATION:

Titles: Collateral Security Resolution and Collateral Pledge and Security Agreement.

OMB Number: 1530–0017 (Previously approved as 1510–0067 as a collection conducted by Department of the

Treasury/Financial Management Service.)

Transfer of OMB Control Number: The Financial Management Service (FMS) and the Bureau of Public Debt (BPD) have consolidated to become the Bureau of the Fiscal Service (Fiscal Service). Information collection requests previously held separately by FMS and BPD will now be identified by a 1530 prefix, designating Fiscal Service.

Form Numbers: FS 5902 and FS 5903.

Abstract: These forms are used to give authority to financial institutions to become a depositary of the Federal Government. They also execute an agreement from the financial institutions they are authorized to pledge collateral to secure public funds with Federal Reserve Banks or their designees.

Current Actions: Extension of a currently approved collection.

Type of Review: Regular.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 15 (2 forms each).

Estimated Time per Respondent: 30 minutes (15 minutes each form).

Estimated Total Annual Burden Hours: 7.5.

Request for Comments: Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Date: July 13, 2015.

Bruce A. Sharp,

Bureau Clearance Officer.

[FR Doc. 2015–17618 Filed 7–16–15; 8:45 am]

BILLING CODE 4810–AS–P

DEPARTMENT OF THE TREASURY

Renewal of the Charter of the Federal Advisory Committee on Insurance

AGENCY: Departmental Offices, U.S. Department of the Treasury.

ACTION: Notice of charter renewal.

SUMMARY: The charter for the Federal Advisory Committee on Insurance (FACI) has been renewed for a two-year period beginning July 8, 2015.

FOR FURTHER INFORMATION CONTACT: Brett D. Hewitt, Policy Advisor to the Federal Insurance Office, Room 1410, Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220, at (202) 622–5892 (this is not a toll-free number). Persons who have difficulty hearing or speaking may access this number via TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

SUPPLEMENTARY INFORMATION: Notice is hereby given under section 10(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App. 2) that the FACI has been renewed for an additional two years beginning July 8, 2015. Additionally, the FACI's membership has been expanded from 21 members to up to 25 members. The purpose of the FACI is to present advice and recommendations to the Federal Insurance Office (FIO) in performing its duties and authorities. The advice and recommendations may cover specific or general insurance topics, processes, studies, and/or reports. The duties of the FACI shall be solely advisory and shall extend only to the submission of advice and recommendations, which shall be non-binding, to FIO. The FACI meets on a periodic basis, and its membership is balanced to include a cross-section of representative views of state and non-government persons having an interest in the duties and authorities of FIO.

Michael T. McRaith,

Director, Federal Insurance Office.

[FR Doc. 2015–17638 Filed 7–16–15; 8:45 am]

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FEDERAL REGISTER

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Part II

Department of Energy

10 CFR Part 431

Energy Conservation Program for Certain Industrial Equipment: Energy Conservation Standards and Test Procedures for Commercial Heating, Air-Conditioning, and Water-Heating Equipment; Final Rule

DEPARTMENT OF ENERGY

10 CFR Part 431

[Docket No. EERE–2014–BT–STD–0015]

RIN 1904–AD23

Energy Conservation Program for Certain Industrial Equipment: Energy Conservation Standards and Test Procedures for Commercial Heating, Air-Conditioning, and Water-Heating Equipment

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Final rule.

SUMMARY: The U.S. Department of Energy (DOE) is amending its energy conservation standards for small three-phase commercial air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps; and commercial oil-fired storage water heaters. Pursuant to the Energy Policy and Conservation Act of 1975 (EPCA), as amended, DOE must assess whether the uniform national standards for these covered equipment need to be updated each time the corresponding industry standard—the American National Standards Institute (ANSI)/American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE)/Illuminating Engineering Society of North America (IESNA) Standard 90.1 (ASHRAE Standard 90.1)—is amended, which most recently occurred on October 9, 2013. Under EPCA, DOE may only adopt more stringent standards if there is clear and convincing evidence showing that more stringent amended standards would be technologically feasible and economically justified, and would save a significant additional amount of energy. The levels DOE is adopting are the same as the efficiency levels specified in ASHRAE Standard 90.1–2013. DOE has determined that the ASHRAE Standard 90.1–2013 efficiency levels for the equipment types listed above are more stringent than existing Federal energy conservation standards and will result in economic and energy savings compared existing energy conservation standards. Furthermore, DOE has concluded that clear and convincing evidence does not exist that would justify more-stringent standard levels than the efficiency levels in ASHRAE Standard 90.1–2013 for any of the equipment classes. DOE has also determined that the standards for small three-phase commercial air-cooled air conditioners (split system) do not need to be amended. DOE is also updating the current Federal test procedure for commercial warm-air furnaces to incorporate by reference the most current version of the American National Standards Institute (ANSI) Z21.47, *Gas-fired central furnaces,* specified in ASHRAE Standard 90.1, and the most current version of ASHRAE 103, *Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boilers.*

DATES: The effective date of this rule is September 15, 2015. Compliance with the amended standards established for water-source heat pumps and commercial oil-fired storage water heaters in this final rule is required on and after October 9, 2015. Compliance with the amended standards established for small three-phase commercial air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h in this final rule is required on and after January 1, 2017. The incorporation by reference of certain publications listed in this rule was approved by the Director of the Federal Register as of September 15, 2015.

ADDRESSES: The docket, which includes **Federal Register** notices, public meeting attendee lists and transcripts, comments, and other supporting documents/materials, is available for review at *www.regulations.gov*. All documents in the docket are listed in the *www.regulations.gov* index. However, some documents listed in the index may not be publicly available, such as those containing information that is exempt from public disclosure.

A link to the docket Web page can be found at: *www.regulations.gov/#!docket Detail;D=EERE-2014-BT-STD-0015*. The *www.regulations.gov* Web page will contain instructions on how to access all documents, including public comments, in the docket.

For further information on how to review the docket, contact Ms. Brenda Edwards at (202) 586–2945 or by email: *Brenda.Edwards@ee.doe.gov*.

FOR FURTHER INFORMATION CONTACT:

Ms. Ashley Armstrong, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, Building Technologies Office, EE–5B, 1000 Independence Avenue SW., Washington, DC 20585–0121. Telephone: (202) 586–6590. Email: *Ashley.Armstrong@ee.doe.gov*.

Ms. Johanna Hariharan, U.S. Department of Energy, Office of the General Counsel, GC–33, 1000 Independence Avenue SW., Washington, DC 20585–0121. Telephone: (202) 287–6307. Email: *Johanna.Hariharan@hq.doe.gov*.

SUPPLEMENTARY INFORMATION: This final rule incorporates by reference the following industry standards into part 431:

- ANSI Z21.47–2012, ''*Standard for Gas-Fired Central Furnaces'',* approved on March 27, 2012.

Copies of ANSI Z21.47–2012 can be obtained from *ANSI.* American National Standards Institute. 25 W. 43rd Street, 4th Floor, New York, NY 10036. (212) 642–4900, or by going to *http://www.ansi.org*.

- ASHRAE Standard 103–2007, ''Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boilers,'' sections 7.2.2.4, 7.8, 9.2, and 11.3.7, approved on June 27, 2007.

Copies of ASHRAE Standard 103–2007 can be obtained from *ASHRAE.* American Society of Heating, Refrigerating and Air-Conditioning Engineers Inc., 1791 Tullie Circle NE., Atlanta, Georgia 30329. (404) 636–8400, or by going to *http://www.ashrae.org*.

These standards are described in section IX.N.

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I. Synopsis of the Final Rule

Title III, Part C [1] of the Energy Policy and Conservation Act of 1975 (''EPCA'' or ''the Act''), Public Law 94–163, (42 U.S.C. 6311–6317, as codified), added by Public Law 95–619, Title IV, section 441(a), established the Energy Conservation Program for Certain Industrial Equipment, which sets forth a variety of provisions designed to improve energy efficiency.[2] These encompass several types of commercial heating, air-conditioning, and water-heating equipment, including those that are the subject of this rulemaking. (42 U.S.C. 6311(1)(B) and (K)) EPCA, as amended, also requires the U.S. Department of Energy (DOE) to consider amending the existing Federal energy conservation standard for certain types of listed commercial and industrial equipment (generally, commercial water heaters, commercial packaged boilers, commercial air-conditioning and heating equipment, and packaged terminal air conditioners and heat pumps) each time the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 90.1, *Energy Standard for Buildings Except Low-Rise Residential Buildings,* is amended with respect to such equipment. (42 U.S.C. 6313(a)(6)(A)) For each type of equipment, EPCA directs that if ASHRAE Standard 90.1 is amended, DOE must adopt amended energy conservation standards at the new efficiency level in ASHRAE Standard 90.1, unless clear and convincing evidence supports a determination that adoption of a more-stringent efficiency level as a national standard would produce significant additional energy savings and be technologically feasible and economically justified. (42 U.S.C. 6313(a)(6)(A)(ii)) If DOE decides to adopt as a national standard the efficiency levels specified in the amended ASHRAE Standard 90.1, DOE must establish such standard not later than 18 months after publication of the amended industry standard. (42 U.S.C. 6313(a)(6)(A)(ii)(I)) If DOE determines that a more-stringent standard is appropriate under the statutory criteria, DOE must establish such more-stringent standard not later than 30 months after publication of the revised ASHRAE Standard 90.1. (42 U.S.C. 6313(a)(6)(B)) ASHRAE officially released ASHRAE Standard 90.1–2013 on October 9, 2013, thereby triggering DOE's previously referenced obligations pursuant to EPCA to determine for those types of equipment with efficiency level or design requirement changes beyond the current Federal standard, whether: (1) The amended industry standard should be adopted; or (2) clear and convincing evidence exists to justify more-stringent standard levels.

DOE published a notice of proposed rulemaking on January 8, 2015, in the **Federal Register**, describing DOE's determination of scope for considering amended energy conservation standards with respect to certain heating, ventilating, air-conditioning, and water-

[1] For editorial reasons, upon codification in the U.S. Code, Part C was redesignated Part A–1.

[2] All references to EPCA in this document refer to the statute as amended through the Energy Efficiency Improvement Act of 2014, Public Law 112–210 (Apr. 30, 2015).

heating equipment addressed in ASHRAE Standard 90.1–2013. 80 FR 1171, 1180–1186. ASHRAE Standard 90.1–2013 amended its efficiency levels for small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h, water-source heat pumps, commercial oil-fired storage water heaters, single package vertical units, and packaged terminal air conditioners. ASHRAE Standard 90.1–2013 also updated its referenced test procedures for several equipment types.

In determining the scope of the rulemaking, DOE is statutorily required to ascertain whether the revised ASHRAE efficiency levels have become more stringent, thereby ensuring that any new amended national standard would not result in prohibited ''backsliding.'' For those equipment classes for which ASHRAE set more-stringent efficiency levels [3] (*i.e.,* small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps; commercial oil-fired storage water heaters; single package vertical units; and packaged terminal air conditioners), DOE analyzed the energy savings potential of amended national energy conservation standards (at both the new ASHRAE Standard 90.1 efficiency levels and more-stringent efficiency levels) in the April 11, 2014 notice of data availability (NODA) (79 FR 20114) and, except for single package vertical units and packaged terminal air conditioners, which are considered in separate rulemakings,[4] in the January 8, 2015 NOPR (80 FR 1171). For equipment where more-stringent standard levels than the ASHRAE efficiency levels would result in significant energy savings (*i.e.,* small three-phase air-cooled air conditioners and heat pumps less than 65,000 Btu/h and water-source heat pumps), DOE analyzed the economic justification for more-stringent levels in the January 2015 NOPR. 80 FR 1171, 1213–1220 (Jan. 15, 2015).

This final rule applies to three classes of small three-phase air-cooled air conditioners and heat pumps less than 65,000 Btu/h, three classes of water-source heat pumps, and one class of commercial oil-fired storage water heaters, which satisfy all applicable requirements of EPCA and will result in energy savings where models exist below the revised efficiency levels. DOE has concluded that, based on the information presented and its analyses, there is not clear and convincing evidence justifying adoption of more-stringent efficiency levels for this equipment.

It is noted that DOE's current regulations for have a single equipment class for small, three-phase commercial air-cooled air conditioners less than 65,000 Btu/h, which covers both split-system and single-package models. Although ASHRAE Standard 90.1–2013 did not amend standard levels for the split-system models within that equipment class, it did so for the single-package models. Given this split, in this final rule, DOE is once again separating these two types of equipment into separate equipment classes. However, following the evaluation of amended standards for split-system models under the six-year-lookback provision at 42 U.S.C. 6313(a)(6)(C), DOE has concluded that there is not clear and convincing evidence that would justify adoption of more-stringent efficiency levels for small three-phase split-system air-cooled air conditioners less than 65,000 Btu/h, where the efficiency level in ASHRAE 90.1–2013 is the same as the current Federal energy conservation standards.

Thus, in accordance with the criteria discussed elsewhere in this document, DOE is amending the energy conservation standards for three classes of small three-phase air-cooled air conditioners and heat pumps less than 65,000 Btu/h, three classes of water-source heat pumps, and one class of commercial oil-fired storage water heaters by adopting the efficiency levels specified by ASHRAE Standard 90.1–2013, as shown in Table I.1. Pursuant to EPCA, the amended standards apply to all equipment listed in Table I.1 and manufactured in, or imported into, the United States on or after the date two years after the effective date specified in ASHRAE Standard 90.1–2013 (*i.e.,* by January 1, 2017 for small air-cooled air conditioners and heat pumps and by October 9, 2015 for water-source heat pumps and oil-fired storage water heaters). (42 U.S.C. 6313(a)(6)(D)(i)) DOE is making a determination that standards for split-system air-cooled air conditioners less than 65,000 Btu/h do not need to be amended.

TABLE I.1—CURRENT AND AMENDED ENERGY CONSERVATION STANDARDS FOR SPECIFIC TYPES OF COMMERCIAL EQUIPMENT

Equipment class	Current Federal Energy Conservation standard	Amended Federal Energy Conservation standard	Compliance date of amended Federal Energy Conservation standard
Three-Phase Air-Cooled Single-Package Air Conditioners <65,000 Btu/h.	13.0 SEER	14.0 SEER	January 1, 2017.
Three-Phase Air-Cooled Single-Package Heat Pumps <65,000 Btu/h.	13.0 SEER, 7.7 HSPF	14.0 SEER, 8.0 HSPF	January 1, 2017.
Three-Phase Air-Cooled Split-System Heat Pumps <65,000 Btu/h.	13.0 SEER, 7.7 HSPF	14.0 SEER, 8.2 HSPF	January 1, 2017.
Oil-Fired Storage Water Heaters >105,000 Btu/h and <4,000 Btu/h/gal.	78% E_t	80% E_t	October 9, 2015.
Water-Source (Water-to-Air, Water-Loop) Heat Pumps <17,000 Btu/h.	11.2 EER, 4.2 COP	12.2 EER, 4.3 COP	October 9, 2015.
Water-Source (Water-to-Air, Water-Loop) Heat Pumps ≥17,000 and <65,000 Btu/h.	12.0 EER, 4.2 COP	13.0 EER, 4.3 COP	October 9, 2015.
Water-Source (Water-to-Air, Water-Loop) Heat Pumps ≥65,000 and <135,000 Btu/h.	12.0 EER, 4.2 COP	13.0 EER, 4.3 COP	October 9, 2015.

[3] ASHRAE Standard 90.1–2013 did not change any of the design requirements for the commercial (HVAC) and water-heating equipment covered by EPCA.

[4] See Packaged Terminal Air Conditioners and Heat Pumps Standards Rulemaking Web page: *www1.eere.energy.gov/buildings/appliance_standards/rulemaking.aspx/ruleid/64* and Single Package Vertical Air Conditioners and Heat Pumps Standards Rulemaking Web page: *www1.eere.energy.gov/buildings/appliance_standards/rulemaking.aspx?ruleid=107.*

In addition, DOE is adopting amendments to its test procedures for commercial warm-air furnaces, which manufacturers will be required to use to certify compliance with energy conservation standards mandated under EPCA. See 42 U.S.C. 6314(a)(1)(A) and (4)(B)) and 10 CFR parts 429 and 431. Specifically, these amendments, which were proposed in the January 2015 NOPR, update the citations and incorporations by reference in DOE's regulations to the most recent version of American National Standards Institute (ANSI) Z21.47, *Standard for Gas-Fired Central Furnaces* (*i.e.,* ANSI Z21.47–2012), and to the most recent version of ASHRAE 103, *Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boiler* (*i.e.,* ASHRAE 103–2007). This final rule satisfies the requirement to review the test procedures for commercial warm-air furnaces within seven years. 42 U.S.C. 6314(a)(1)(A).

II. Introduction

The following section briefly discusses the statutory authority underlying today's proposal, as well as some of the relevant historical background related to the establishment of standards for small three-phase air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and commercial oil-fired storage water heaters.

A. Authority

Title III, Part C[5] of the Energy Policy and Conservation Act of 1975 (EPCA or the Act), Public Law 94–163 (42 U.S.C. 6311–6317, as codified), added by Public Law 95–619, Title IV, section 441(a), established the Energy Conservation Program for Certain Industrial Equipment, which includes the commercial heating, air-conditioning, and water-heating equipment that is the subject of this rulemaking.[6] In general, this program addresses the energy efficiency of certain types of commercial and industrial equipment. Relevant provisions of the Act specifically include definitions (42 U.S.C. 6311), energy conservation standards (42 U.S.C. 6313), test procedures (42 U.S.C. 6314), labelling provisions (42 U.S.C. 6315), and the authority to require information and reports from manufacturers (42 U.S.C. 6316).

EPCA contains mandatory energy conservation standards for commercial heating, air-conditioning, and water-heating equipment. (42 U.S.C. 6313(a)) Specifically, the statute sets standards for small, large, and very large commercial package air-conditioning and heating equipment, packaged terminal air conditioners (PTACs), packaged terminal heat pumps (PTHPs), warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks. *Id.* In doing so, EPCA established Federal energy conservation standards that generally correspond to the levels in ASHRAE Standard 90.1, as in effect on October 24, 1992 (*i.e.,* ASHRAE Standard 90.1–1989), for each type of covered equipment listed in 42 U.S.C. 6313(a). The Energy Independence and Security Act of 2007 (EISA 2007) amended EPCA by adding definitions and setting minimum energy conservation standards for single-package vertical air conditioners (SPVACs) and single-package vertical heat pumps (SPVHPs). (42 U.S.C. 6313(a)(10)(A)) The efficiency standards for SPVACs and SPVHPs established by EISA 2007 correspond to the levels contained in ASHRAE Standard 90.1–2004, which originated as addendum ''d'' to ASHRAE Standard 90.1–2001.

In acknowledgement of technological changes that yield energy efficiency benefits, the U.S. Congress further directed DOE through EPCA to consider amending the existing Federal energy conservation standard for each type of equipment listed, each time ASHRAE Standard 90.1 is amended with respect to such equipment. (42 U.S.C. 6313(a)(6)(A)) For each type of equipment, EPCA directs that if ASHRAE Standard 90.1 is amended,[7] DOE must publish in the **Federal Register** an analysis of the energy savings potential of amended energy efficiency standards within 180 days of the amendment of ASHRAE Standard 90.1. (42 U.S.C. 6313(a)(6)(A)(i)) EPCA further directs that DOE must adopt amended standards at the new efficiency level in ASHRAE Standard 90.1, unless clear and convincing evidence supports a determination that adoption of a more-stringent level would produce significant additional energy savings and be technologically feasible and economically justified. (42 U.S.C. 6313(a)(6)(A)(ii)) If DOE decides to adopt as a national standard the efficiency levels specified in the amended ASHRAE Standard 90.1, DOE must establish such standard not later than 18 months after publication of the amended industry standard. (42 U.S.C. 6313(a)(6)(A)(ii)(I)) However, if DOE determines that a more-stringent standard is justified under 42 U.S.C. 6313(a)(6)(A)(ii)(II), then it must establish such more-stringent standard not later than 30 months after publication of the amended ASHRAE Standard 90.1. (42 U.S.C. 6313(a)(6)(B)) In addition, DOE notes that pursuant to the EISA 2007 amendments to EPCA, under 42 U.S.C. 6313(a)(6)(C), the agency must periodically review its already-established energy conservation standards for ASHRAE equipment. In December 2012, this provision was further amended by the American Energy Manufacturing Technical Corrections Act (AEMTCA) to clarify that DOE's periodic review of ASHRAE equipment must occur ''[e]very six years.'' (42 U.S.C. 6313(a)(6)(C)(i))

AEMTCA also modified EPCA to specify that any amendment to the design requirements with respect to the ASHRAE equipment would trigger DOE review of the potential energy savings under U.S.C. 6313(a)(6)(A)(i). Additionally, AEMTCA amended EPCA to require that if DOE proposes an amended standard for ASHRAE equipment at levels more stringent than

[5] For editorial reasons, upon codification in the U.S. Code, Part C was redesignated Part A–1.

[6] All references to EPCA in this document refer to the statute as amended through the American Energy Manufacturing Technical Corrections Act (AEMTCA), Public Law 112–210 (Dec. 18, 2012).

[7] Although EPCA does not explicitly define the term ''amended'' in the context of ASHRAE Standard 90.1, DOE provided its interpretation of what would constitute an ''amended standard'' in a final rule published in the **Federal Register** on March 7, 2007 (hereafter referred to as the ''March 2007 final rule''). 72 FR 10038. In that rule, DOE stated that the statutory trigger requiring DOE to adopt uniform national standards based on ASHRAE action is for ASHRAE to change a standard for any of the equipment listed in EPCA section 342(a)(6)(A)(i) (42 U.S.C. 6313(a)(6)(A)(i)) by increasing the energy efficiency level for that equipment type. *Id.* at 10042. In other words, if the revised ASHRAE Standard 90.1 leaves the standard level unchanged or lowers the standard, as compared to the level specified by the national standard adopted pursuant to EPCA, DOE does not have the authority to conduct a rulemaking to consider a higher standard for that equipment pursuant to 42 U.S.C. 6313(a)(6)(A). DOE subsequently reiterated this position in a final rule published in the **Federal Register** on July 22, 2009 (74 FR 36312, 36313) and again on May 16, 2012 (77 FR 28928, 28937). However, in the AEMTCA amendments to EPCA in 2012, Congress modified several provisions related to ASHRAE Standard 90.1 equipment. In relevant part, DOE now must act whenever ASHRAE Standard 90.1's ''standard levels or design requirements under that standard'' are amended. (42 U.S.C. 6313(a)(6)(A)(i)) Furthermore, DOE is now required to conduct an evaluation of each class of covered equipment in ASHRAE Standard 90.1 ''every 6 years.'' (42 U.S.C. 6313(a)(6)(C)(i)) For any covered equipment for which more than 6 years has elapsed since issuance of the most recent final rule establishing or amending a standard for such equipment, DOE must publish either the required notice of determination that standards do not need to be amended or a NOPR with proposed standards by December 31, 2013. (42 U.S.C. 6313(a)(6)(C)(vi)) DOE has incorporated these new statutory mandates into its rulemaking process for covered ASHRAE 90.1 equipment.

those in ASHRAE Standard 90.1, DOE, in deciding whether a standard is economically justified, must determine, after receiving comments on the proposed standard, whether the benefits of the standard exceed its burdens by considering, to the maximum extent practicable, the following seven factors:

(1) The economic impact of the standard on manufacturers and consumers of the products subject to the standard;

(2) The savings in operating costs throughout the estimated average life of the product in the type (or class) compared to any increase in the price, initial charges, or maintenance expenses of the products likely to result from the standard;

(3) The total projected amount of energy savings likely to result directly from the standard;

(4) Any lessening of the utility or the performance of the products likely to result from the standard;

(5) The impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the standard;

(6) The need for national energy conservation; and

(7) Other factors the Secretary considers relevant. (42 U.S.C. 6313(a)(6)(B)(ii))

EPCA also requires that if a test procedure referenced in ASHRAE Standard 90.1 is updated, DOE must update its test procedure to be consistent with the amended test procedure in ASHRAE Standard 90.1, unless DOE determines that the amended test procedure is not reasonably designed to produce test results that reflect the energy efficiency, energy use, or estimated operating costs of the ASHRAE equipment during a representative average use cycle. In addition, DOE must determine that the amended test procedure is not unduly burdensome to conduct. (42 U.S.C. 6314(a)(2) and(4))

Additionally, EISA 2007 amended EPCA to require that at least once every seven years, DOE must conduct an evaluation of the test procedures for all covered equipment and either amend test procedures (if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of 42 U.S.C. 6314(a)(2)–(3)) or publish notice in the **Federal Register** of any determination not to amend a test procedure. (42 U.S.C. 6314(a)(1)(A)) This final rule resulting satisfies the requirement to review the test procedures for commercial warm-air furnaces within seven years.

On October 9, 2013 ASHRAE officially released and made public ASHRAE Standard 90.1–2013. This action triggered DOE's obligations under 42 U.S.C. 6313(a)(6), as outlined previously.

EPCA, as codified, also contains what is known as an ''anti-backsliding'' provision, which prevents the Secretary from prescribing any amended standard that either increases the maximum allowable energy use or decreases the minimum required energy efficiency of a covered product. (42 U.S.C. 6313(a)(6)(B)(iii)(I)) Also, the Secretary may not prescribe an amended or new standard if interested persons have established by a preponderance of the evidence that such standard would likely result in the unavailability in the United States of any covered product type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States at the time of the Secretary's finding. (42 U.S.C. 6313(a)(6)(B)(iii)(II)(aa))

Further, EPCA, as codified, establishes a rebuttable presumption that a standard is economically justified if the Secretary finds that the additional cost to the consumer of purchasing a product complying with an energy conservation standard level will be less than three times the value of the energy (and, as applicable, water) savings during the first year that the consumer will receive as a result of the standard, as calculated under the applicable test procedure.

Additionally, when a type or class of covered equipment such as ASHRAE equipment, has two or more subcategories, DOE often specifies more than one standard level. DOE generally will adopt a different standard level than that which applies generally to such type or class of products for any group of covered products that have the same function or intended use if DOE determines that products within such group: (A) Consume a different kind of energy from that consumed by other covered products within such type (or class); or (B) have a capacity or other performance-related feature which other products within such type (or class) do not have and which justifies a higher or lower standard. In determining whether a performance-related feature justifies a different standard for a group of products, DOE generally considers such factors as the utility to the consumer of the feature and other factors DOE deems appropriate. In a rule prescribing such a standard, DOE includes an explanation of the basis on which such higher or lower level was established. DOE plans to follow a similar process in the context of this rulemaking.

B. Background

1. ASHRAE Standard 90.1–2013

As noted previously, ASHRAE released a new version of ASHRAE Standard 90.1 on October 9, 2013 (ASHRAE Standard 90.1–2013). The ASHRAE standard addresses efficiency levels for many types of commercial heating, ventilating, air-conditioning (HVAC), and water-heating equipment covered by EPCA. ASHRAE Standard 90.1–2013 revised its efficiency levels for certain commercial equipment, but for the remaining equipment, ASHRAE left in place the preexisting levels (*i.e.,* the efficiency levels in ASHRAE Standard 90.1–2010). Specifically, ASHRAE updated its efficiency levels for small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps; commercial oil-fired storage water heaters; single package vertical units; and packaged terminal air conditioners. ASHRAE Standard 90.1–2013 did not change any of the design requirements for the commercial HVAC and water heating equipment covered by EPCA. *See* 80 FR 1171, 1177–1178 (Jan. 8, 2015).

2. Previous Rulemaking Documents

On April 11, 2014, DOE published a notice of data availability (April 2014 NODA) in the **Federal Register** and requested public comment as a preliminary step required pursuant to EPCA when DOE considers amended energy conservation standards for certain types of commercial equipment covered by ASHRAE Standard 90.1. 79 FR 20114. Specifically, the April 2014 NODA presented for public comment DOE's analysis of the potential energy savings estimates related to amended national energy conservation standards for the types of commercial equipment for which DOE was triggered by ASHRAE action, based on: (1) The modified efficiency levels contained within ASHRAE Standard 90.1–2013; and (2) more-stringent efficiency levels. *Id.* at 20134–20136. DOE has described these analyses and preliminary conclusions and sought input from interested parties, including the submission of data and other relevant information. *Id.*

In addition, DOE presented a discussion in the April 2014 NODA of the changes found in ASHRAE Standard 90.1–2013. *Id.* at 20119–20125. The April 2014 NODA includes a description of DOE's evaluation of each

ASHRAE equipment type in order for DOE to determine whether the amendments in ASHRAE Standard 90.1–2013 have increased efficiency levels or changed design requirements. As an initial matter, DOE sought to determine which requirements for covered equipment in ASHRAE Standard 90.1, if any: (1) Have been revised solely to reflect the level of the current Federal energy conservation standard (where ASHRAE is merely ''catching up'' to the current national standard); (2) have been revised but with a reduction in stringency; or (3) have had any other revisions made that do not change the standard's stringency, in which case, DOE is not triggered to act under 42 U.S.C. 6313(a)(6) for that particular equipment type. For those types of equipment in ASHRAE Standard 90.1 for which ASHRAE actually increased efficiency levels above the current Federal standard, DOE subjected that equipment to the potential energy savings analysis discussed previously and presented the results in the April 2014 NODA for public comment. 79 FR 20114, 20134–20136 (April 11, 2014). Lastly, DOE presented an initial assessment of the test procedure changes included in ASHRAE Standard 90.1–2013. *Id.* at 20124–20125.

Following the NODA, DOE published a notice of proposed rulemaking (NOPR) in the **Federal Register** on January 8, 2015 (the January 2015 NOPR), and requested public comment. 80 FR 1171. In the January 2015 NOPR, DOE proposed amended energy conservation standards for small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps; and commercial oil-fired storage water heaters. As noted previously, packaged terminal air conditioners and single package vertical units were considered in separate rulemakings.

In addition, DOE's NOPR also proposed adopting amended test procedures for commercial warm-air furnaces.

3. Compliance Dates for Amended Federal Test Procedures, Amended Federal Energy Conservation Standards, and Representations for Certain ASHRAE Equipment

This final rule specifies the compliance dates for amended energy conservation standards as shown in Table I.1. In addition, compliance with the amended test procedure for commercial warm-air furnaces is required on or after July 11, 2016.

III. General Discussion of Comments Received

In response to its request for comment on the January 2015 NOPR, DOE received eight comments from manufacturers, trade associations, utilities, and energy efficiency advocates. Commenters included: Lennox International Inc.; Goodman Global, Inc.; California Investor-Owned Utilities (CA IOUs); a group including Appliance Standards Awareness Project (ASAP), the American Council for an Energy-Efficient Economy (ACEEE), Alliance to Save Energy (ASE), and the Natural Resources Defense Council (NRDC) (jointly referred to as the Advocates); the Air-conditioning, Heating, and Refrigeration Institute (AHRI); United Technologies (UTC)—Carrier; Northwest Energy Efficiency Alliance (NEEA); and a group of 12 associations led by the U.S. Chamber of Commerce (jointly referred to as the Associations). As discussed previously, these comments are available in the docket for this rulemaking and may be reviewed as described in the **ADDRESSES** section. The following section summarizes the issues raised in these comments, along with DOE's responses.

A. General Discussion of the Changes in ASHRAE Standard 90.1–2013 and Determination of Scope for Further Rulemaking Activity

As discussed previously, before beginning an analysis of the potential economic impacts and energy savings that would result from adopting the efficiency levels specified by ASHRAE Standard 90.1–2013 or more-stringent efficiency levels, DOE first sought to determine whether or not the ASHRAE Standard 90.1–2013 efficiency levels actually represented an increase in efficiency above the current Federal standard levels. DOE discussed each equipment class for which the ASHRAE Standard 90.1–2013 efficiency level differs from the current Federal standard level, along with DOE's preliminary conclusion as to the action DOE is taking with respect to that equipment in the January 2015 NOPR. *See* 80 FR 1171, 1180–1185 (Jan. 8, 2015). (Once again, DOE notes that ASHRAE Standard 90.1–2013 did not change any of the design requirements for the commercial HVAC and water-heating equipment covered by EPCA, so DOE did not conduct further analysis in the NOPR on that basis.) DOE tentatively concluded from this analysis that the only efficiency levels that represented an increase in efficiency above the current Federal standards were those for small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps, commercial oil-fired storage water heaters; single package vertical units, and packaged terminal air conditioners. For a more detailed discussion of this approach, readers should refer to the preamble to the January 2015 NOPR. *See Id.* DOE did not receive any comments on this approach.

B. The Proposed Energy Conservation Standards

In the January 2015 NOPR, DOE proposed to adopt the efficiency levels in ASHRAE Standard 90.1–2013 for small three-phase air-cooled air conditioners (single package only) and heat pumps (single package and split system) less than 65,000 Btu/h; water-source heat pumps; and commercial oil-fired storage water heaters. 80 FR 1171, 1224–1227 (Jan. 8, 2015). Several commenters expressed support for DOE's proposal to adopt the efficiency levels in ASHRAE 90.1–2013 for small three-phase commercial air conditioners and heat pumps less than 65,000 Btu/h (*e.g.,* AHRI, No. 38 at p. 1; Goodman Global, Inc., No. 42 at p. 1; Lennox International Inc., No. 36 at p. 2). AHRI and Lennox International also agreed that standards for split-system air-cooled air conditioners less than 65,000 Btu/h do not need to be amended (AHRI, No. 38 at p. 2; Lennox International Inc., No. 36 at p. 3), Finally, AHRI supported the ASHRAE 90.1–2013 levels for water-source heat pumps and commercial oil-fired storage water heaters as well (AHRI, No. 38 at p. 1).

On the other hand, the Advocates, NEEA, and the CA IOUs commented that DOE should adopt higher standards than those in ASHRAE 90.1–2013 for water-source heat pumps between 17,000 and 65,000 Btu/h. (Advocates, No. 39 at p. 2; CA IOUs, No. 40 at p. 2; NEEA, No. 41 at p. 2) The Advocates and CA IOUs noted that for that equipment class, efficiency level 2 is cost effective at both 3 and 7 percent discount rates, while efficiency level 3, which would save additional energy, would not result in a net cost to consumers. (Advocates, No. 39 at p. 2; CA IOUs, No. 40 at p. 2) NEEA noted that the energy savings available supported a more in depth analysis of the economic justification and energy analysis for this equipment class (NEEA, No. 41 at p. 2)

In response to the submitted comments, DOE maintains its position of adopting the efficiency levels in ASHRAE 90.1–2013 for all equipment in

this rulemaking and not amending the standards for split-system air-cooled air conditioners less than 65,000 Btu/h. DOE notes that despite the positive economic benefits for water-source heat pumps 17,000 to 65,000 Btu/h at efficiency levels higher than those in ASHRAE 90.1–2013, the uncertainty present in the energy use, shipments, and national impact analyses are too great to provide clear and convincing evidence to adopt more stringent energy conservation standards. Furthermore, following the NOPR, DOE did not receive any additional data or information that would allow it to conduct more in-depth analysis for this equipment. See section VIII.D.2 for further information.

IV. Test Procedure Amendments and Discussion of Related Comments

EPCA requires the Secretary to amend the DOE test procedures for covered ASHRAE equipment to the latest version of those generally accepted industry testing procedures or the rating procedures developed or recognized by AHRI or by ASHRAE, as referenced by ASHRAE/IES Standard 90.1, unless the Secretary determines by rule published in the **Federal Register** and supported by clear and convincing evidence that the latest version of the industry test procedure does not meet the requirements for test procedures described in paragraphs (2) and (3) of 42 U.S.C. 6314(a).[8] (42 U.S.C. 6314(a)(4)(B))

In the January 2015 NOPR, in keeping with EPCA's mandate to incorporate the latest version of the applicable industry test procedure pursuant to 42 U.S.C. 6314(a)(4)(B), DOE proposed to update its commercial warm air furnace test procedure by incorporating by reference ANSI (American National Standards Institute) Z21.47–2012, *Standard for Gas-Fired Central Furnaces.* 80 FR 1171, 1185–1186 (Jan. 8, 2015). DOE determined that the changes to the 2012 version do not impact those provisions of that industry test procedure that are used under the DOE test procedure for gas-fired warm air furnaces, and, therefore, such changes do not affect the energy efficiency ratings for gas-fired furnaces. As such, DOE anticipated no substantive change or increase in test burden to be associated with this test procedure amendment for warm air furnaces.

DOE is also required to review the test procedures for covered ASHRAE equipment at least once every seven years. (42 U.S.C. 6314(a)(1)(A)) In addition to the updates to the referenced standards discussed previously, In the January 2015 NOPR, DOE also proposed to update the citations and incorporations by reference in DOE's regulations for commercial warm-air furnaces to the most recent version of ASHRAE 103, *Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boiler* (*i.e.,* ASHRAE 103–2007). 80 FR 1171, 1185–1186 (Jan. 8, 2015). The applicable sections of this standard include measurement of condensate and calculation of additional heat gain and heat losses for condensing furnaces. DOE noted that the most recent version does not contain any updates to the sections currently referenced by the DOE test procedure, so no additional burden would be expected to result from this test procedure update.

In response to the NOPR, Lennox International agreed with DOE's proposal to incorporate the latest versions of ANSI Z21.47 and ASHRAE 103 by reference as the applicable test procedure for commercial warm-air furnaces. (Lennox International Inc., No. 36 at p. 2) DOE adopts these updates in this final rule.

DOE is aware that some commercial furnaces are designed for make-up air heating (*i.e.,* heating 100 percent outdoor air). DOE defines ''commercial warm air furnace'' at 10 CFR 431.72 as self-contained oil-fired or gas-fired furnaces designed to supply heated air through ducts to spaces that require it, with a capacity (rated maximum input) at or above 225,000 Btu/h. Further, DOE's definitions specify that this equipment includes combination warm air furnace/electric air conditioning units but does not include unit heaters and duct furnaces. Given the characteristics of this category of commercial furnaces, DOE concludes that gas-fired and oil-fired commercial furnaces that are designed for make-up air heating and that have input ratings at or above 225,000 Btu/h meet the definition of ''commercial warm air furnace'' because they are self-contained units that supply heated air through ducts. Consequently, DOE is clarifying that commercial warm air furnaces that are designed for make-up air heating are subject to DOE's regulatory requirements, including being tested according to the test procedure specified in 10 CFR 431.76.

V. Methodology for Small Commercial Air-Cooled Air Conditioners and Heat Pumps Less Than 65,000 Btu/h

This section addresses the analyses DOE has performed for this rulemaking with respect to small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h. A separate subsection addresses each analysis. In overview, DOE used a spreadsheet to calculate the life-cycle cost (LCC) and payback periods (PBPs) of potential energy conservation standards. DOE used another spreadsheet to provide shipments projections and then calculate national energy savings and net present value impacts of potential amended energy conservation standards.

A. Market Assessment

To begin its review of the ASHRAE Standard 90.1–2013 efficiency levels, DOE developed information that provides an overall picture of the market for the equipment concerned, including the purpose of the equipment, the industry structure, and market characteristics. This activity included both quantitative and qualitative assessments based primarily on publicly available information. The subjects addressed in the market assessment for this rulemaking include equipment classes, manufacturers, quantities, and types of equipment sold and offered for sale. The key findings of DOE's market assessment are summarized in the following sections. For additional detail, see chapter 2 of the final rule technical support document (TSD).

1. Equipment Classes

The Federal energy conservation standards for air-cooled air conditioners and heat pumps are differentiated based on the cooling capacity (*i.e.,* small, large, or very large). For small equipment, there is an additional disaggregation into: (1) equipment less than 65,000 Btu/h and (2) equipment greater than or equal to 65,000 Btu/h and less than 135,000 Btu/h. ASHRAE Standard 90.1–2013 also differentiates the equipment that is less than 65,000 Btu/h into split system and single package subcategories. In the past, DOE has followed the same disaggregation. However, when EISA 2007 increased the efficiency levels to identical levels across single package and split system equipment, effective in 2008, DOE

[8] (2) Test procedures prescribed in accordance with this section shall be reasonably designed to produce test results which reflect energy efficiency, energy use, and estimated operating costs of a type of industrial equipment (or class thereof) during a representative average use cycle (as determined by the Secretary), and shall not be unduly burdensome to conduct. (3) If the test procedure is a procedure for determining estimated annual operating costs, such procedure shall provide that such costs shall be calculated from measurements of energy use in a representative average-use cycle (as determined by the Secretary), and from representative average unit costs of the energy needed to operate such equipment during such cycle. The Secretary shall provide information to manufacturers of covered equipment respecting representative average unit costs of energy.

combined the equipment classes in the CFR, resulting in only two equipment classes, one for air conditioners and one for heat pumps. 74 FR 12058, 12074 (March 23, 2009). Because ASHRAE 90.1–2013 has increased the standard for only single package air conditioners, and has increased the HSPF level to a more stringent level for split system heat pumps than for single package heat pumps, and DOE is obligated to adopt, at a minimum, the increased level in ASHRAE 90.1–2013 for that equipment class, DOE proposed in the January 2015 NOPR re-creating separate equipment classes for single package and split system equipment in the overall equipment classes of small commercial package air conditioners and heat pumps (three-phase air-cooled) less than 65,000 Btu/h. 80 FR 1171, 1186–1187 (Jan. 8, 2015). In response, AHRI supported DOE's proposal to re-create separate equipment classes for single package and split system air conditioning and heating equipment (air-cooled, three-phase). (AHRI, No. 38 at p. 1). In this final rule, DOE adopts these amended equipment classes, as shown in Table V.1.

TABLE V.1—AMENDED EQUIPMENT CLASSES FOR SMALL COMMERCIAL PACKAGED AIR-CONDITIONING AND HEATING EQUIPMENT <65,000 Btu/h

Product	Cooling capacity	Sub-category
Small Commercial Packaged Air Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Split System).	<65,000 Btu/h	AC. HP.
Small Commercial Packaged Air Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Single Package).	<65,000 Btu/h	AC. HP.

2. Review of Current Market

In order to obtain the information needed for the market assessment for this rulemaking, DOE consulted a variety of sources, including manufacturer literature, manufacturer Web sites, and the AHRI-certified directory.[9] The information DOE gathered serves as resource material throughout the rulemaking. The sections below provide an overview of the market assessment, and chapter 2 of the final rule TSD provides additional detail on the market assessment, including citations to relevant sources.

a. Trade Association Information

DOE researched various trade groups representing manufacturers, distributors, and installers of the various types of equipment being analyzed in this rulemaking. AHRI is one of the largest trade associations for manufacturers of space heating, cooling, and water heating equipment, representing more than 90 percent of the residential and commercial air conditioning, space heating, water heating, and commercial refrigeration equipment manufactured in the United States.[10] AHRI also develops and publishes test procedure standards for measuring and certifying the performance of residential and commercial HVAC equipment and coordinates with the International Organization for Standardization (ISO) to help harmonize U.S. standards with international standards, if feasible. AHRI also maintains the AHRI Directory of Certified Product Performance, which is a database that lists all the products and equipment that have been certified by AHRI, thereby providing equipment ratings for all manufacturers who elect to participate in the program. DOE utilized this database in developing base-case efficiency distributions.

The Heating, Air-conditioning and Refrigeration Distributors International (HARDI) is a trade association that represents over 450 wholesale heating, ventilating, air-conditioning, and refrigeration (HVACR) companies, plus over 300 manufacturing associates and nearly 140 manufacturing representatives. HARDI estimates that 80 percent of the revenue of HVACR systems goes through its members.[11] DOE did not utilize HARDI data for this rule.

The Air Conditioning Contractors of America (ACCA) is another trade association whose members include over 4,000 contractors and 60,000 professionals in the indoor environment and energy service community. According to their Web site, ACCA provides contractors with technical, legal, and market resources, helping to promote good practices and to keep buildings safe, clean, and affordable.[12] DOE did not use ACCA data for this rule.

b. Manufacturer Information

DOE reviewed data for air-cooled commercial air conditioners and heat pumps currently on the market by examining the AHRI Directory of Certified Product Performance. DOE identified 23 parent companies (comprising 61 manufacturers) of small three-phase air-cooled air conditioners and heat pumps, which are listed in chapter 2 of the final rule TSD. Of these manufacturers, five were identified as small businesses based upon number of employees and the employee thresholds set by the Small Business Administration. More details on this analysis can be found below in section IX.B.

c. Market Data

DOE reviewed the AHRI database to characterize the efficiency and performance of small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h models currently on the market. The full results of this market characterization are found in chapter 2 of the final rule TSD. For split-system air conditioners, the average SEER value was 13.9, and 120 models (0.1 percent of the total models) have SEER ratings below the ASHRAE Standard 90.1–2013 level of 13.0 SEER. For single-package air conditioners, the average SEER value was 14.3, and 1,450 models (45 percent of the total models) have SEER ratings below the ASHRAE Standard 90.1–2013 level of 14.0 SEER.

For single-package heat pumps, the average SEER value is 14.0. Of the models identified by DOE, 653 models (54 percent of the total models) have SEER ratings below the ASHRAE Standard 90.1–2013 level of 14.0 SEER. The average HSPF value for this equipment class is 7.9. Of the models identified by DOE, 632 models (52 percent of the total models) have HSPF ratings below the ASHRAE Standard 90.1–2013 levels of 8.0. For split-system

[9] AHRI Directory of Certified Product Performance (2013) (Available at: *www.ahridirectory.org*) (Last accessed November 11, 2013).

[10] Air-Conditioning, Heating, and Refrigeration Institute Web site, *About Us* (2013) (Available at: *www.ari.org/site/318/About-Us*) (Last accessed December 18, 2014).

[11] Heating, Air-conditioning & Refrigeration Distributors International Web site, About HARDI (2014) (Available at: *www.hardinet.org/about-hardi-0*) (Last accessed February 10, 2014).

[12] Air Conditioning Contractors of America Web site, About ACCA (2014) (Available at: *www.acca.org/acca*) (Last accessed February 10, 2014).

heat pumps, the average SEER value for this equipment class is 13.7. Of the models identified by DOE, 30,009 models (64 percent of the total models) have SEER ratings below the ASHRAE Standard 90.1–2013 level of 14.0. The average HSPF for this equipment class is 7.9. Of the models identified by DOE, 36,902 models (79 percent of the total models) have HSPF ratings below the ASHRAE Standard 90.1–2013 level of 8.2. For more information on market performance data, see chapter 2 of the final rule TSD.

B. Engineering Analysis

The engineering analysis establishes the relationship between an increase in energy efficiency and the increase in cost (manufacturer selling price (MSP)) of a piece of equipment DOE is evaluating for potential amended energy conservation standards. This relationship serves as the basis for cost-benefit calculations for individual consumers, manufacturers, and the Nation. The engineering analysis identifies representative baseline equipment, which is the starting point for analyzing possible energy efficiency improvements. For covered ASHRAE equipment, DOE sets the baseline for analysis at the ASHRAE Standard 90.1 efficiency level, because by statute, DOE cannot adopt any level below the revised ASHRAE level. The engineering analysis then identifies higher efficiency levels and the incremental increase in product cost associated with achieving the higher efficiency levels. After identifying the baseline models and cost of achieving increased efficiency, DOE estimates the additional costs to the commercial consumer through an analysis of contractor costs and markups and uses that information in the downstream analyses to examine the costs and benefits associated with increased equipment efficiency.

DOE typically structures its engineering analysis around one of three methodologies: (1) The design-option approach, which calculates the incremental costs of adding specific design options to a baseline model; (2) the efficiency-level approach, which calculates the relative costs of achieving increases in energy efficiency levels without regard to the particular design options used to achieve such increases; and/or (3) the reverse-engineering or cost-assessment approach, which involves a ''bottom-up'' manufacturing cost assessment based on a detailed bill of materials derived from teardowns of the equipment being analyzed. A supplementary method called a catalog teardown uses published manufacturer catalogs and supplementary component data to estimate the major physical differences between a piece of equipment that has been physically disassembled and another piece of similar equipment for which catalog data are available to determine the cost of the latter equipment. Deciding which methodology to use for the engineering analysis depends on the equipment, the design options under study, and any historical data upon which DOE may draw.

1. Approach

As explained in the January 2015 NOPR, DOE used a combination of the efficiency-level and the cost-assessment approach for this analysis. 80 FR 1171, 1187–1188 (Jan. 8, 2015). DOE used the efficiency-level approach to identify incremental improvements in efficiency for each equipment class and the cost-assessment approach to develop a cost for each efficiency level. The efficiency levels that DOE considered in the engineering analysis were representative of three-phase central air conditioners and heat pumps currently produced by manufacturers at the time the engineering analysis was developed. DOE relied on data reported in the AHRI Directory of Certified Product Performance to select representative efficiency levels.

DOE generated a bill of materials (BOM) for each representative product that it disassembled. DOE did this for multiple manufacturers' products that span a range of efficiency levels for the equipment classes that are analyzed in this rulemaking. The BOMs describe the manufacture of the equipment in detail, listing all parts and including all manufacturing steps required to make each part and to assemble the unit. DOE also conducted catalog teardowns to supplement the information obtained directly from physical teardowns. Subsequently, DOE developed a cost model that calculates manufacturer production cost (MPC) for each unit, based on the detailed BOM data. Chapter 3 of the final rule TSD describes DOE's cost model in greater detail. The calculated costs were plotted as a function of the equipment efficiency levels (based on rated efficiency) to create cost-efficiency curves. DOE notes that the costs at some efficiency levels were interpolated or extrapolated based on the available physical and catalog teardown data.

DOE developed cost-efficiency curves for a representative capacity of three tons, which it decided well represents the range of capacities on the market for commercial three-phase products. Because other capacity levels had similar designs and efficiency levels, cost-efficiency curves were not developed for any other capacities. Instead, DOE was able to utilize the cost-efficiency curve for the representative capacity and apply it to all three-phase products.

DOE based the cost-efficiency relationship for three-phase central air conditioners and heat pumps on reverse engineering conducted for the June 2011 direct final rule (DFR) for single-phase central air conditioners and heat pumps. 76 FR 37408. DOE researched manufacturer literature and noticed that most model numbers between single-phase products and three-phase equipment were interchangeable, with only a single-digit difference in the model number for the supply voltage. Although three-phase equipment contains three-phase compressors instead of single-phase compressors, DOE did not notice any inconsistency in energy efficiency ratings between single-phase products and three-phase equipment. To supplement the 2011 DFR data (29 physical teardowns and 12 catalog teardowns), DOE completed one physical teardown and seven catalog teardowns of three-phase equipment. This approach allowed DOE to provide an estimate of equipment prices at different efficiencies and spanned a range of technologies currently on the market that are used to achieve the increased efficiency levels.

2. Baseline Equipment

DOE selected baseline efficiency levels as reference points for each equipment class, against which it measured changes resulting from potential amended energy conservation standards. DOE defined the baseline efficiency levels as reference points to compare the technology, energy savings, and cost of equipment with higher energy efficiency levels. Typically, units at the baseline efficiency level just meet Federal energy conservation standards and provide basic consumer utility. However, EPCA requires that DOE must adopt either the ASHRAE Standard 90.1–2013 levels or more-stringent levels. Therefore, because the ASHRAE Standard 90.1–2013 levels were the lowest levels that DOE could adopt, DOE used those levels as the reference points against which more-stringent levels were evaluated.

TABLE V.2—CURRENT BASELINE AND ASHRAE EFFICIENCY LEVELS FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS WITH RATED COOLING CAPACITIES LESS THAN 65,000 Btu/h

	Split-system AC	Single-package AC	Split-system HP	Single-package HP
SEER				
Baseline—Federal Standard	13.0	13.0	13.0	13.0
Baseline—ASHRAE Standard	13.0	14.0	14.0	14.0
HSPF				
Baseline—Federal Standard	.....	.....	7.7	7.7
Baseline—ASHRAE Standard	.....	.....	8.2	8.0

Table V.3 shows the current baseline and ASHRAE efficiency levels for each equipment class of small commercial air-cooled air conditioners and heat pumps <65,000 Btu/h.

TABLE V.3—BASELINE EFFICIENCY LEVELS FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS (AC) AND HEAT PUMPS (HP) <65,000 Btu/h

	Split-system AC	Single-package AC	Split-system HP	Single-package HP
SEER				
Baseline—Federal Standard	13.0	13.0	13.0	13.0
Baseline—ASHRAE Standard	13.0	14.0	14.0	14.0
HSPF				
Baseline—Federal Standard	.....	.....	7.7	7.7
Baseline—ASHRAE Standard	.....	.....	8.2	8.0

3. Identification of Increased Efficiency Levels for Analysis

DOE analyzed several efficiency levels and obtained incremental cost data for the four equipment classes under consideration. Table V.44 presents the efficiency levels examined for each equipment class. As part of the engineering analyses, DOE considered up to six efficiency levels beyond the baseline for each equipment class. DOE derived the maximum technologically feasible (''max-tech'') level from the market maximum in the AHRI Certified Directory,[13] as of November 2013. The highest available efficiency level for split-system heat pumps was 16.2 SEER, compared to 18.05 SEER for single-package heat pumps. In the January 2014 NOPR, DOE tentatively determined the ''max-tech'' level for single-package air conditioners to be 19.15. 80 FR 1171, 1189 (Jan. 8, 2015). DOE also determined that split-system air conditioners are capable of reaching the same efficiency levels as single-package units. *Id.* For the engineering analysis, DOE rounded the ''max-tech'' levels to integer values of 18 and 19 for split-system and single-package heat pumps, and split-system and single-package air conditioners, respectively. The impact of this rounding, which results in efficiency levels that are whole-number values of SEER, is minimal. DOE did not receive any comments on its tentative determination for max-tech levels for single-package and split-system heat pumps and air conditioners and thus maintained its analysis in this final rule.

The final efficiency levels for each equipment class are presented below in Table V.4. For additional details on the efficiency levels selected for analysis, see chapter 3 of the final rule TSD.

TABLE V.4—EFFICIENCY LEVELS FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000

Efficiency level	Split-system AC	Single-package AC	Split-system HP		Single-package HP	
	SEER	SEER	SEER	HSPF	SEER	HSPF
Federal Baseline	13	13	13	7.7	13	7.7
0—ASHRAE Baseline *	14	14	14	8.2	14	8.0
1	15	15	15	8.5	15	8.4
2	16	16	16	8.7	16	8.8
3	17	17	17	9.0	17	8.9
4 **	18	18	18	9.2	18	9.1

[13] The AHRI Certified Directory is available at *http://www.ahridirectory.org/ahridirectory/pages/home.aspx.*

TABLE V.4—EFFICIENCY LEVELS FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000—Continued

Efficiency level	Split-system AC	Single-package AC	Split-system HP		Single-package HP	
	SEER	SEER	SEER	HSPF	SEER	HSPF
5***	19	19				

* For consistency across equipment classes, DOE refers to 14 SEER as EL 0, which is only the ASHRAE Baseline for three of the equipment classes, excluding split-system AC.
** Efficiency Level 4 is ''Max-Tech'' for HP equipment classes.
*** Efficiency Level 5 is ''Max-Tech'' for AC equipment classes.

4. Engineering Analysis Results

The results of the engineering analysis are cost-efficiency curves based on results from the cost models for analyzed units. DOE's calculated MPCs for small commercial air conditioners and heat pumps less than 65,000 Btu/h are shown in Table V.5 through Table V.8, and further details on the calculation of these curves can be found in chapter 3 of the final rule TSD. DOE used the cost-efficiency curves from the engineering analysis as an input for the life-cycle cost and payback period analyses.

TABLE V.5—MANUFACTURER PRODUCTION COSTS FOR THREE-TON SPLIT-SYSTEM COMMERCIAL AIR-COOLED AIR CONDITIONERS

SEER	MPC [2014$]
13	$855
14	937
15	1,023
16	1,115
17	1,212
18	1,316
19	1,427

TABLE V.6—MANUFACTURER PRODUCTION COSTS FOR THREE-TON SINGLE-PACKAGE COMMERCIAL AIR-COOLED AIR CONDITIONERS

SEER	MPC [2014$]
13	$1,003
14	1,122
15	1,241
16	1,361
17	1,480
18	1,599
19	1,719

TABLE V.7—MANUFACTURER PRODUCTION COSTS FOR THREE-TON SPLIT-SYSTEM COMMERCIAL AIR-COOLED HEAT PUMPS

SEER	HSPF	MPC [2014$]
13	7.7	$1,068
14	8.2	1,154
15	8.5	1,244
16	8.7	1,377
17	9.0	1,486
18	9.2	1,601

TABLE V.8—MANUFACTURER PRODUCTION COSTS FOR THREE-TON SINGLE-PACKAGE COMMERCIAL AIR-COOLED HEAT PUMPS

SEER	HSPF	MPC [2014$]
13	7.7	$1,239
14	8.0	1,372
15	8.4	1,504
16	8.8	1,637
17	8.9	1,769
18	9.1	1,902

a. Manufacturer Markups

DOE applies a non-production cost multiplier (the manufacturer markup) to the full MPC to account for corporate non-production costs and profit. The resulting manufacturer selling price (MSP) is the price at which the manufacturer can recover all production and nonproduction costs and earn a profit. To meet new or amended energy conservation standards, manufacturers often introduce design changes to their equipment lines that result in increased manufacturer production costs. Depending on the competitive environment for these particular types of equipment, some or all of the increased production costs may be passed from manufacturers to retailers and eventually to commercial consumers in the form of higher purchase prices. As production costs increase, manufacturers typically incur additional overhead. The MSP should be high enough to recover the full cost of the equipment (*i.e.*, full production and non-production costs) and yield a profit. The manufacturer markup has an important bearing on profitability. A high markup under a standards scenario suggests manufacturers can pass along the increased variable costs and some of the capital and product conversion costs (the one-time expenditures) to the consumer. A low markup suggests that manufacturers will not be able to recover as much of the necessary investment in plants and equipment.

For small commercial air-cooled air-conditioners and heat pumps, DOE used a manufacturer markup of 1.3, as developed for the 2011 direct final rule for single-phase central air conditioners and heat pumps. 76 FR 37408 (June 27, 2011). This markup was calculated using U.S. Security and Exchange Commission (SEC) 10–K reports for publicly-owned heating and cooling companies, as well as feedback from manufacturer interviews. See chapter 3 of the final rule TSD for more details about the methodology DOE used to determine the manufacturing markup.

b. Shipping Costs

Manufacturers of commercial HVAC products typically pay for freight (shipping) to the first step in the distribution chain. Freight is not a manufacturing cost, but because it is a substantial cost incurred by the manufacturer, DOE accounts for shipping costs separately from other non-production costs that comprise the manufacturer markup. DOE calculated the MSP for small commercial air-cooled air-conditioners and heat pumps by multiplying the MPC at each efficiency level (determined from the cost model) by the manufacturer markup and adding shipping costs for equipment at the given efficiency level. More specifically, DOE calculated shipping costs at each efficiency level based on a typical 53-foot straight-frame trailer with a storage volume of 4,240 cubic feet. DOE examined the sizes of small commercial air-cooled air-conditioners and heat pumps and determined the number of units that

would fit in each trailer, based on assumptions about the arrangement of units in the trailer. See chapter 3 of the final rule TSD for more details about the methodology DOE used to determine the shipping costs.

C. Markups Analysis

The markups analysis develops appropriate markups in the distribution chain to convert the estimates of manufacturer selling price derived in the engineering analysis to commercial consumer prices. (''Commercial consumer'' refers to purchasers of the equipment being regulated.) DOE calculates overall baseline and incremental markups based on the equipment markups at each step in the distribution chain. The incremental markup relates the change in the manufacturer sales price of higher-efficiency models (the incremental cost increase) to the change in the commercial consumer price.

In the 2014 NOPR for Central Unitary Air Conditioners (CUAC), which includes equipment similar to but larger than that in this rulemaking, DOE determined that there are three types of distribution channels to describe how the equipment passes from the manufacturer to the commercial consumer. 79 FR 58948, 58975 (Sept. 30, 2014). In the new construction market, the manufacturer sells the equipment to a wholesaler. The wholesaler sells the equipment to a mechanical contractor, who sells it to a general contractor, who in turn sells the equipment to the commercial consumer or end user as part of the building. In the replacement market, the manufacturer sells to a wholesaler, who sells to a mechanical contractor, who in turn sells the equipment to the commercial consumer or end user. In the third distribution channel, used in both the new construction and replacement markets, the manufacturer sells the equipment directly to the customer through a national account.

In the analysis for this Final Rule and in the January 2015 NOPR, DOE used two of the three distribution channels described above to determine the markups. Given the small cooling capacities of air conditioners and heat pumps less than 65,000 Btu/h, DOE did not use the national accounts distribution chain in the markups analysis. National accounts are composed of large commercial consumers of HVAC equipment that negotiate equipment prices directly with the manufacturers, such as national retail chains. The end market consumers of three-ton central air conditioners and heat pumps are small offices and small retailers and do not fit the profile of large national chains. 80 FR 1171, 1191 (Jan. 8, 2015).

In the 2014 CUAC NOPR, based on information that equipment manufacturers provided, commercial consumers were estimated to purchase 50 percent of the covered equipment through small mechanical contractors, 32.5 percent through large mechanical contractors, and the remaining 17.5 percent through national accounts. 79 FR 58948, 58976 (Sept. 30, 2014). For this analysis, DOE removed the national accounts distribution channel and recalculated the size of the small and large mechanical contractor distribution channels assuming they make up the entire market. Therefore, the small mechanical distribution chain accounts for 61 percent of equipment purchases (*i.e.*, 50 percent divided by the sum of 50 percent and 32.5 percent), and the large mechanical contractor distribution chain represents 39 percent of purchases.

In this Final Rule and in the January 2015 NOPR, DOE used the markups from the 2014 CUAC NOPR, for which DOE utilized updated versions of: (1) The Heating, Air Conditioning & Refrigeration Distributors International *2010 Profit Report* to develop wholesaler markups; (2) the Air Conditioning Contractors of America's (ACCA) *2005 Financial Analysis for the HVACR Contracting Industry* to develop mechanical contractor markups; and (3) U.S. Census Bureau economic data for the commercial and institutional building construction industry to develop general contractor markups.[14] 80 FR 1171, 1191 (Jan. 8, 2015).

Chapter 5 of the final rule TSD provides further detail on the estimation of markups.

D. Energy Use Analysis

The energy use analysis provides estimates of the annual energy consumption of small air-cooled air conditioners and heat pumps with cooling capacities less than 65,000 btu/h at the considered efficiency levels. DOE uses these values in the LCC and PBP analyses and in the NIA.

The cooling unit energy consumption (UEC) by equipment type and efficiency level came from the national impact analysis associated with the 2011 direct final rule (DFR) for residential central air conditioners and heat pumps. (EERE–2011–BT–STD–0011–0011). Specifically, DOE used the UECs for single-phase equipment installed in commercial buildings. The UECs for split system and single package equipment were similar in the 2011 analysis for lower efficiency levels, but at higher efficiency levels, the only UEC s available were for split-system equipment. DOE assumed that the similarities at lower levels could be expected to hold at higher efficiency levels; therefore, DOE used the UECs for split equipment for all equipment classes in this final rule, including split system and single package.

In order to assess variability in the cooling UEC by region and building type, DOE used a Pacific Northwest National Laboratory report[15] that estimated the annual energy usage of space cooling and heating products using a Full Load Equivalent Operating Hour (FLEOH) approach. DOE normalized the provided FLEOHs to the UEC data discussed above to vary the average UEC across region and building type. The building types used in this analysis are small retail establishments and small offices.

DOE reviewed the results of the simulations for the 2011 DFR and determined that the heating loads for these small commercial applications are extremely low (less than 500 kwh/year). As a result, DOE did not include any energy savings in the analysis for this Final Rule due to the increase in HSPF for this equipment. Chapter 4 of the final rule TSD provides further detail on energy use analysis.

E. Life-Cycle Cost and Payback Period Analysis

The purpose of the LCC and PBP analysis is to analyze the effects of potential amended energy conservation standards on commercial consumers of small commercial air-cooled air conditioners and heat pumps less than 65,000 btu/h by determining how a potential amended standard affects their operating expenses (usually decreased) and their total installed costs (usually increased).

The LCC is the total consumer expense over the life of the equipment, consisting of equipment and installation costs plus operating costs (*i.e.*, expenses for energy use, maintenance, and repair). DOE discounts future operating costs to the time of purchase using commercial consumer discount rates. The PBP is the estimated amount of time (in years) it takes commercial consumers to recover the increased total installed cost (including equipment and

[14] U.S. Census Bureau, 2007 Economic Census, Construction Industry Series and Wholesale Trade Subject Series (Available at: *www.census.gov/econ/census/data/historical_data.html*).

[15] See Appendix D of the 2000 Screening Analysis for EPACT-Covered Commercial HVAC and Water-Heating Equipment. (EERE–2006–STD–0098–0015)

installation costs) of a more-efficient type of equipment through lower operating costs. DOE calculates the PBP by dividing the change in total installed cost (normally higher) due to a standard by the change in annual operating cost (normally lower) that results from the potential standard. However, unlike the LCC, DOE only considers the first year's operating expenses in the PBP calculation. Because the PBP does not account for changes in operating expenses over time or the time value of money, it is also referred to as a simple PBP.

For any given efficiency level, DOE measures the PBP and the change in LCC relative to an estimate of the base-case efficiency level. For split-system air conditioners, for which ASHRAE did not increase efficiency levels, the base-case estimate reflects the market in the absence of amended energy conservation standards, including the market for equipment that exceeds the current energy conservation standards. For single-package air conditioners, split-system heat pumps, and single-package heat pumps, the base-case estimate reflects the market in the case where the ASHRAE 90.1–2013 level becomes the Federal minimum, and the LCC calculates the LCC savings likely to result from higher efficiency levels compared with the ASHRAE base-case.

DOE conducted an LCC and PBP analysis for small commercial air-cooled air conditioners and heat pumps less than 65,000 btu/h using a computer spreadsheet model. When combined with Crystal Ball (a commercially-available software program), the LCC and PBP model generates a Monte Carlo simulation to perform the analyses by incorporating uncertainty and variability considerations in certain of the key parameters as discussed below. Inputs to the LCC and PBP analysis are categorized as: (1) Inputs for establishing the total installed cost and (2) inputs for calculating the operating expense. The following sections contain brief discussions of the inputs and key assumptions of DOE's LCC and PBP analysis. They are also described in detail in chapter 6 of the final rule TSD.

1. Equipment Costs

In the LCC and PBP analysis, the equipment costs faced by purchasers of small air-cooled air conditioning and heat pump equipment are derived from the MSPs estimated in the engineering analysis, the overall markups estimated in the markups analysis, and sales tax.

To develop an equipment price trend for the final rule, DOE derived an inflation-adjusted index of the producer price index (PPI) for ''unitary air-conditioners, except air source heat pumps'' from 1978 to 2013, which is the PPI series most relevant to small air-cooled air-conditioning equipment. The PPI index for heat pumps covered too short a time period to provide a useful picture of pricing trends, so the air-conditioner time series was used for both air conditioners and heat pumps. DOE expects this to be a reasonably accurate assessment for heat pumps because heat pumps are produced by the same manufacturers as air-conditioners and contain most of the same components. Although the overall PPI index shows a long-term declining trend, data for the last decade have shown a flat-to-slightly-rising trend. Given the uncertainty as to which of the trends will prevail in coming years, DOE chose to apply a constant price trend (at 2014 levels) for the final rule. See chapter 6 of the final rule TSD for more information on the price trends.

2. Installation Costs

DOE derived national average installation costs for small air-cooled air conditioning and heat pump equipment from data provided in RS Means 2013.[16] RS Means provides estimates for installation costs for the subject equipment by equipment capacity, as well as cost indices that reflect the variation in installation costs for 656 cities in the United States. The RS Means data identify several cities in all 50 States and the District of Columbia. DOE incorporated location-based cost indices into the analysis to capture variation in installation costs, depending on the location of the consumer.

Based on these data, DOE concluded that data for 3-ton rooftop air conditioners would be sufficiently representative of the installation costs for air conditioners less than 65,000 btu/h. For heat pumps, DOE used the installation costs for 3-ton air-source heat pumps.

DOE also varied installation cost as a function of equipment weight. Because weight tends to increase with equipment efficiency, installation cost increased with equipment efficiency. The weight of the equipment in each class and efficiency level was determined through the engineering analysis.

3. Unit Energy Consumption

The calculation of annual per-unit energy consumption by each class of the subject small air-cooled air conditioning and heating equipment at each considered efficiency level is based on the energy use analysis as described above in section V.D and in chapter 4 of the final rule TSD.

4. Electricity Prices and Electricity Price Trends

DOE used average and marginal electricity prices by Census Division based on tariffs from a representative sample of electric utilities. This approach calculates energy expenses based on actual commercial building average and marginal electricity prices that customers are paying.[17] The Commercial Buildings Energy Consumption Survey (CBECS) 1992 and CBECS 1995 surveys provide monthly electricity consumption and demand for a large sample of buildings. DOE used these values to help develop usage patterns associated with various building types. Using these monthly values in conjunction with the tariff data, DOE calculated monthly electricity bills for each building. The average price of electricity is defined as the total electricity bill divided by total electricity consumption. From this average price, the marginal price for electricity consumption was determined by applying a 5-percent decrement to the average CBECS consumption data and recalculating the electricity bill. Using building location and the prices derived from the above method, an average and marginal price was determined for each region of the U.S.

The average electricity price multiplied by the baseline electricity consumption for each equipment class defines the baseline LCC. For each efficiency level, the operating cost savings are calculated by multiplying the electricity consumption savings (relative to the baseline) by the marginal consumption price.

For this final rule, DOE updated the tariff-based prices to 2014 dollars and projected future electricity prices using trends in average commercial electricity price from *Annual Energy Outlook* (*AEO*) *2014*. An examination of data published by the Edison Electric Institute[18] indicates that the rate of increase of marginal and average prices is not significantly different, so the same factor was used for both pricing estimates.

For further discussion of electricity prices, see chapter 6 of the final rule TSD.

[16] RS Means Mechanical Cost Data 2013. *Reed Construction Data, LLC (2012).*

[17] Coughlin, K., C. Bolduc, R. Van Buskirk, G. Rosenquist and J.E. McMahon, ''Tariff-based Analysis of Commercial Building Electricity Prices'' (2008) Lawrence Berkeley National Laboratory: Berkeley, CA. Report No. LBNL–55551.

[18] Edison Electric Institute, EEI Typical Bills and Average Rates Report (bi-annual, 2007–2012).

5. Maintenance Costs

Maintenance costs are costs to the commercial consumer of ensuring continued operation of the equipment (*e.g.*, checking and maintaining refrigerant charge levels and cleaning heat-exchanger coils). DOE derived annualized maintenance costs for small commercial air-cooled air conditioners and heat pumps from RS Means data.[19] These data provided estimates of person-hours, labor rates, and materials required to maintain commercial air-conditioning and heating equipment. The estimated annualized maintenance cost, in 2014 dollars, is $302 for air conditioners rated between 36,000 Btu/h and 288,000 Btu/h and $334 for heat pumps rated between 36,000 Btu/h and 288,000 Btu/h; this capacity range includes the equipment that is the subject of this final rule. DOE assumed that the maintenance costs do not vary with efficiency level.

6. Repair Costs

Repair costs are costs to the commercial consumer associated with repairing or replacing components that have failed. DOE utilized RS Means[20] to find the repair costs for small commercial air-cooled air conditioners and heat pumps. For air conditioners, DOE used the repair costs for a 3-ton, single-zone rooftop unit. For heat pumps, DOE took the repair costs for 1.5-ton, 5-ton, and 10-ton air-to-air heat pumps and linearly scaled the repair costs to derive a 3-ton repair cost. DOE assumed that the repair would be a one-time event in year 10 of the equipment life. DOE then annualized the present value of the cost over the average equipment life of 19 or 16 years (for air conditioners and heat pumps, respectively) to obtain an annualized equivalent repair cost. This value, in 2014 dollars, ranges from $143 to $157 at the baseline level, depending on equipment class. The materials portion of the repair cost was scaled with the percentage increase in manufacturers' production cost by efficiency level. The labor cost was held constant across efficiency levels. This annualized repair cost was then added to the maintenance cost to create an annual ''maintenance and repair cost'' for the lifetime of the equipment. For further discussion of how DOE derived and implemented repair costs, see chapter 6 of the final rule TSD.

[19] RS Means Facilities Maintenance & Repair Cost Data 2013. *Reed Construction Data, LLC. (2012).*

[20] *Id.*

7. Equipment Lifetime

Equipment lifetime is the age at which the subject small air-cooled air conditioners and heat pumps less than 65,000 Btu/h are retired from service. DOE based equipment lifetime on a retirement function in the form of a Weibull probability distribution. DOE used the inputs from the 2011 DFR technical support document for central air conditioners and heat pumps, which represented a mean lifetime of 19.01 years for air conditioners and 16.24 years for heat pumps, and used the same values for units in both residential and commercial applications. (EERE–2011–BT–STD–0011–0012) Given the similarity of such equipment types, DOE believes the lifetime for single-phase equipment is a reasonable approximation of the lifetime for similar three-phase equipment.

8. Discount Rate

The discount rate is the rate at which future expenditures are discounted to estimate their present value. The cost of capital commonly is used to estimate the present value of cash flows to be derived from a typical company project or investment. Most companies use both debt and equity capital to fund investments, so the cost of capital is the weighted-average cost to the firm of equity and debt financing. DOE uses the capital asset pricing model (CAPM) to calculate the equity capital component, and financial data sources to calculate the cost of debt financing.

DOE derived the discount rates by estimating the weighted-average cost of capital (WACC) of companies that purchase air-cooled air-conditioning equipment. More details regarding DOE's estimates of commercial consumer discount rates are provided in chapter 6 of the final rule TSD.

9. Base-Case Market Efficiency Distribution

For the LCC analysis, DOE analyzes the considered efficiency levels relative to a base case (*i.e.*, the case without amended energy efficiency standards, in this case the current Federal standards for split-system air conditioners, and the default scenario in which DOE is required to adopt the efficiency levels in ASHRAE 90.1–2013 for the three equipment classes triggered by ASHRAE). This analysis requires an estimate of the distribution of equipment efficiencies in the base case (*i.e.*, what consumers would have purchased in the compliance year in the absence of amended standards for split-system air conditioners, or amended standards more stringent than those in ASHRAE 90.1–2013 for the three triggered equipment classes). DOE refers to this distribution of equipment energy efficiencies as the base-case efficiency distribution. For more information on the development of the base-case distribution, see section V.F.3 and chapter 6 of the final rule TSD.

10. Compliance Date

DOE calculated the LCC and PBP for all commercial consumers as if each were to purchase new equipment in the year that compliance with amended standards is required. Generally, covered equipment to which a new or amended energy conservation standard applies must comply with the standard if such equipment is manufactured or imported on or after a specified date. EPCA states that compliance with any such standards shall be required on or after a date which is two or three years (depending on equipment size) after the compliance date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard. (42 U.S.C. 6313(a)(6)(D)) Given the equipment size at issue here, DOE has applied the two-year implementation period to determine the compliance date of any energy conservation standard equal to the efficiency levels specified by ASHRAE Standard 90.1–2013 proposed by this rulemaking. Thus, the compliance date of this final rule for small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h manufactured on or after January 1, 2017, which is two years after the date specified in ASHRAE Standard 90.1–2013.

Economic justification is not required for DOE to adopt the efficiency levels in ASHRAE 90.1–2013, as DOE is statutorily required to, at a minimum, adopt those levels. Therefore, DOE did not perform an LCC analysis on the ASHRAE Standard 90.1–2013 levels, and for purposes of the LCC analysis, DOE used 2020 as the first year of compliance with amended standards.

11. Payback Period Inputs

The payback period is the amount of time it takes the commercial consumer to recover the additional installed cost of more-efficient equipment, compared to baseline equipment, through energy cost savings. Payback periods are expressed in years. Payback periods that exceed the life of the equipment mean that the increased total installed cost is not recovered in reduced operating expenses.

Similar to the LCC, the inputs to the PBP calculation are the total installed cost of the equipment to the commercial consumer for each efficiency level and

the average annual operating expenditures for each efficiency level for each building type and Census Division, weighted by the probability of shipment to each market. The PBP calculation uses the same inputs as the LCC analysis, except that discount rates are not needed. Because the simple PBP does not take into account changes in operating expenses over time or the time value of money, DOE considered only the first year's operating expenses to calculate the PBP, unlike the LCC, which is calculated over the lifetime of the equipment. Chapter 6 of the final rule TSD provides additional detail about the PBP.

F. National Impact Analysis—National Energy Savings and Net Present Value Analysis

The national impact analysis (NIA) evaluates the effects of a considered energy conservation standard from a national perspective rather than from the consumer perspective represented by the LCC. This analysis assesses the net present value (NPV) (future amounts discounted to the present) and the national energy savings (NES) of total commercial consumer costs and savings, which are expected to result from amended standards at specific efficiency levels. For each efficiency level analyzed, DOE calculated the NPV and NES for adopting more-stringent standards than the efficiency levels specified in ASHRAE Standard 90.1–2013.

The NES refers to cumulative energy savings from 2017 through 2046 for the three equipment classes triggered by ASHRAE; however when evaluating more-stringent standards, energy savings do not begin accruing until the later compliance date of 2020. DOE calculated new energy savings in each year relative to a base case, defined as DOE adoption of the efficiency levels specified by ASHRAE Standard 90.1–2013. DOE also calculated energy savings from adopting efficiency levels specified by ASHRAE Standard 90.1–2013 compared to the EPCA base case (*i.e.*, the current Federal standards).

For split-system air conditioners, the NES refers to cumulative energy savings from 2019 through 2048 for all standards cases. DOE calculated new energy savings in each year relative to a base case, defined as the current Federal standards, which are equivalent to the efficiency levels specified by ASHRAE Standard 90.1–2013.

The NPV refers to cumulative monetary savings. DOE calculated net monetary savings in each year relative to the base case (ASHRAE Standard 90.1–2013) as the difference between total operating cost savings and increases in total installed cost. Cumulative savings are the sum of the annual NPV over the specified period. DOE accounted for operating cost savings until past 2100, when the equipment installed in the 30th year after the compliance date of the amended standards should be retired.

1. Approach

The NES and NPV are a function of the total number of units in use and their efficiencies. Both the NES and NPV depend on annual shipments and equipment lifetime. Both calculations start by using the shipments estimate and the quantity of units in service derived from the shipments model.

With regard to estimating the NES, because more-efficient air conditioners and heat pumps are expected to gradually replace less-efficient ones, the energy per unit of capacity used by the air conditioners and heat pumps in service gradually decreases in the standards case relative to the base case. DOE calculated the NES by subtracting energy use under a standards-case scenario from energy use in a base-case scenario.

Unit energy savings for each equipment class are taken from the LCC spreadsheet for each efficiency level and weighted based on market efficiency distributions. To estimate the total energy savings for each efficiency level, DOE first calculated the national site energy consumption (*i.e.,* the energy directly consumed by the units of equipment in operation) for each class of air conditioner and heat pumps for each year of the analysis period. The NES and NPV analysis periods begin with the earliest expected compliance date of amended Federal energy conservation standards (*i.e.,* 2017 for the equipment classes triggered by ASHRAE, since DOE is adopting the baseline ASHRAE Standard 90.1–2013 efficiency levels). For the analysis of DOE's potential adoption of more-stringent efficiency levels for the equipment classes triggered by ASHRAE, the earliest compliance date would be 2020, four years after DOE would likely issue a final rule requiring such standards. Second, DOE determined the annual site energy savings, consisting of the difference in site energy consumption between the base case and the standards case for each class of small commercial air conditioner and heat pump less than 65,000 Btu/h. Third, DOE converted the annual site energy savings into the annual primary and FFC energy savings using annual conversion factors derived from the *AEO 2014* version of the Energy Information Administration's (EIA) National Energy Modeling System (NEMS). Finally, DOE summed the annual primary and FFC energy savings from 2017 to 2046 to calculate the total NES for that period. DOE performed these calculations for each efficiency level considered for small commercial air conditioners and heat pumps in this rulemaking.

DOE considered whether a rebound effect is applicable in its NES analysis. A rebound effect occurs when an increase in equipment efficiency leads to an increased demand for its service. The NEMS model assumes a certain elasticity factor to account for an increased demand for service due to the increase in cooling (or heating) efficiency.[21] EIA refers to this as an efficiency rebound. For the small commercial air conditioning and heating equipment market, there are two ways that a rebound effect could occur: (1) Increased use of the air conditioning equipment within the commercial buildings in which they are installed; and (2) additional instances of air conditioning of building spaces that were not being cooled before.

DOE does not expect either of these instances to occur because the annual energy use for this equipment is very low; therefore, the energy cost savings from more-efficient equipment would likely not be high enough to induce a commercial consumer to increase the use of the equipment, either in a previously-cooled space or another previously-uncooled space. Therefore, DOE did not assume a rebound effect in the January 2015 NOPR analysis. DOE sought input from interested parties on whether there will be a rebound effect for improvements in the efficiency of small commercial air conditioners and heat pumps, but did not receive any comment. As a result, DOE has maintained its assumption in this final rule.

To estimate NPV, DOE calculated the net impact as the difference between net operating cost savings (including electricity cost savings and increased repair costs) and increases in total installed costs (including customer prices). DOE calculated the NPV of each considered standard level over the life of the equipment using the following three steps. First, DOE determined the difference between the equipment costs under the standard-level case and the base case in order to obtain the net equipment cost increase resulting from the higher standard level. As noted in

[21] An overview of the NEMS model and documentation is found at *http://www.eia.doe.gov/oiaf/aeo/overview/index.html.*

section V.E.1, DOE used a constant price assumption as the default price forecast. Second, DOE determined the difference between the base-case operating costs and the standard-level operating costs in order to obtain the net operating cost savings from each higher efficiency level. Third, DOE determined the difference between the net operating cost savings and the net equipment cost increase in order to obtain the net savings (or expense) for each year. DOE then discounted the annual net savings (or expenses) to 2015 for air conditioners and heat pumps bought on or after 2017 (or 2019) and summed the discounted values to provide the NPV of an efficiency level. An NPV greater than zero shows net savings (*i.e.,* the efficiency level would reduce commercial consumer expenditures relative to the base case in present value terms). An NPV that is less than zero indicates that the efficiency level would result in a net increase in commercial consumer expenditures in present value terms.

To make the analysis more transparent to all interested parties, DOE used a commercially-available spreadsheet tool to calculate the energy savings and the national economic costs and savings from potential amended standards. Interested parties can review DOE's analyses by changing various input quantities within the spreadsheet.

Unlike the LCC analysis, the NES spreadsheet does not use distributions for inputs or outputs, but relies on national average first costs and energy costs developed from the LCC spreadsheet. DOE used the NES spreadsheet to perform calculations of energy savings and NPV using the annual energy consumption and total installed cost data from the LCC analysis. DOE projected the energy savings, energy cost savings, equipment costs, and NPV of benefits for equipment sold in each small commercial air-cooled air conditioner and heat pump class from 2017 through 2046. The projections provided annual and cumulative values for all four output parameters described previously.

2. Shipments Analysis

Equipment shipments are an important element in the estimate of the future impact of a potential energy conservation standard. DOE developed shipment projections for small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h and, in turn, calculated equipment stock over the course of the analysis period by assuming a Weibull distribution with an average 19-year equipment life for air conditioners and a 16-year life for heat pumps. (See section V.E.7 for more information on lifetime.) DOE used the shipments projection and the equipment stock to determine the NES. The shipments portion of the spreadsheet model projects small commercial air-cooled air conditioner and heat pump shipments through 2046.

DOE relied on 1999 shipment estimates along with trends from the U.S. Census and *AEO 2014* to estimate shipments for this equipment. Table V.99 shows the 1999 shipments estimates from the 2000 Screening Analysis for EPACT-Covered Commercial HVAC and Water-Heating Equipment (EERE–2006–STD–0098–0015). While the U.S. Census provides shipments data for air-cooled equipment less than 65,000 Btu/h, it does not disaggregate the shipments into single-phase and three-phase. Therefore, DOE used the Census data from 1999 to 2010 [22] as a trend from which to extrapolate DOE's 1999 estimated shipments data (which is divided by equipment class) for three-phase equipment shipments between 2000 to 2010.

TABLE V.9—DOE ESTIMATED SHIPMENTS OF SMALL THREE-PHASE COMMERCIAL AIR CONDITIONERS AND HEAT PUMPS <65,000 Btu/h

Equipment class	1999
Three-Phase Air-Cooled Split-System Air Conditioners <65,000 Btu/h	91,598
Three-Phase Air-Cooled Single-Package Air Conditioners <65,000 Btu/h	213,728
Three-Phase Air-Cooled Split-System Heat Pumps <65,000 Btu/h	11,903
Three-Phase Air-Cooled Single-Package Heat Pumps <65,000 Btu/h	27,773

Because the Census data end in 2010, DOE cannot use those data to determine whether shipments continue to decline past 2010. Therefore, DOE reviewed AHRI's monthly shipments data for the broader category of central air conditioners and heat pumps to determine more recent trends.[23] DOE found that the average annual growth rate from 2005 to 2010 was −12 percent for air conditioners and −4 percent for heat pumps. However, the average annual growth rate from 2010 to 2014 was 7 percent for air conditioners and 8 percent for heat pumps. These data indicate that the decline in shipments through 2010 has stopped and has in fact begun to reverse. Therefore, DOE used the AHRI-reported growth rates from 2010 to 2011 (10 percent for air conditioners and 1 percent for heat pumps) to scale its projected 2010 shipments to 2011, at which time it could begin projecting shipments using *AEO 2014* forecasts (2011 through 2040) for commercial floor space. DOE assumed that shipments of small commercial air-cooled air conditioners and heat pumps would be related to the growth of commercial floor space. DOE used this projection, with an average annual growth rate of 1 percent, to project shipments for each of the four equipment classes through 2040. For years beyond 2040, DOE also applied an average annual growth rate of 1 percent.

Table V.10 shows the projected shipments for the different equipment classes of small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h for selected years from 2017 to 2046, as well as the cumulative shipments. As equipment purchase price and repair costs increase with efficiency, DOE recognizes that higher first costs and repair costs can result in a drop in shipments. However, in the January 2015 NOPR, DOE had no basis for estimating the elasticity of shipments for small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h as a function of first costs, repair costs, or operating costs. In addition, because air-cooled air conditioners are likely the lowest-cost option for air conditioning small office and retail applications, DOE tentatively concluded in the NOPR that it is unlikely that shipments would change as a result of higher first costs and repair costs. Therefore, DOE presumed that the shipments projection would not change with higher standard levels. 80 FR 1171, 1196 (Jan. 8, 2015).

DOE sought input on this assumption. In response, Lennox International commented that more stringent efficiency levels increase equipment costs and reduce demand, citing the decline in residential central air conditioner shipments when SEER requirements were raised from 10 to 13.

[22] U.S. Census Bureau, Current Industrial Reports for Refrigeration, Air Conditioning, and Warm Air Heating Equipment, MA333M. Note that the current industrial reports were discontinued in 2010, so more recent data are not available. (Available at: *http://www.census.gov/manufacturing/cir/historical_data/ma333m/index.html*).

[23] AHRI, *HVACR & Water Heating Industry Statistical Profile* (2012) (Available at: *http://www.ari.org/site/883/Resources/Statistics/AHRI-Industry-Statistical-Profile*). See also AHRI Monthly Shipments: *http://www.ari.org/site/498/Resources/Statistics/Monthly-Shipments*; especially December 2013 release: *http://www.ari.org/App_Content/ahri/files/Statistics/Monthly%20Shipments/2013/December2013.pdf;* May 2014 release: *http://www.ari.org/App_Content/ahri/files/Statistics/Monthly%20Shipments/2014/May2014.pdf.*

Lennox also noted that higher prices also lead to more repairs, which reduces energy savings benefits. (Lennox International, No. 36 at p. 2–3)

DOE acknowledges Lennox's concerns. However, DOE does not have data available to estimate the price elasticity for this equipment. Furthermore, DOE does not believe that the commercial market would necessarily respond in a similar manner to an increased standard as would the residential market. Given that even without a drop in shipments, none of the efficiency levels in the NOPR were determined to be economically justified, DOE has not revised its shipments estimates for the final rule.

Chapter 7 of the final rule TSD provides additional details on the shipments projections.

TABLE V.10—SHIPMENTS PROJECTION FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 Btu/h

Equipment	Units shipped by year and equipment class							
	2017	2020	2025	2030	2035	2040	2046	Cumulative shipments (2017–2046) *
Three-Phase Air-Cooled Split-System Air Conditioners <65,000 Btu/h	80,210	83,175	87,651	91,610	96,170	101,593	107,802	2,806,115
Three-Phase Air-Cooled Single-Package Air Conditioners <65,000 Btu/h	122,271	126,790	133,613	139,649	146,600	154,867	164,332	4,277,584
Three-Phase Air-Cooled Split-System Heat Pumps <65,000 Btu/h	19,634	20,360	21,455	22,424	23,541	24,868	26,388	686,883
Three-Phase Air-Cooled Single-Package Heat Pumps <65,000 Btu/h	25,157	26,086	27,490	28,732	30,162	31,863	33,810	880,091
Total	247,272	256,411	270,210	282,415	296,473	313,191	332,333	8,650,673

* Note that the analysis period for split-system air conditioners is 2019–2048, but for comparison purposes, the same time period for cumulative shipments is shown for each equipment class.

3. Base-Case and Standards-Case Forecasted Distribution of Efficiencies

DOE developed base-case efficiency distributions based on model availability in the AHRI Certified Directory. DOE bundled the efficiency levels into ''efficiency ranges'' and determined the percentage of models within each range. DOE applied the percentages of models within each efficiency range to the total unit shipments for a given equipment class to estimate the distribution of shipments within the base case.

In the January 2015 NOPR, DOE estimated a base-case efficiency trend of an increase of approximately 1 SEER every 35 years, based on the EER trend from 2012 to 2035 found in the Commercial Unitary Air Conditioner Advance Notice of Proposed Rulemaking (ANOPR).[24] DOE used this same trend in the standards-case scenarios. 80 FR 1171, 1197 (Jan. 8, 2015). DOE requested comment on the estimated efficiency trend but did not receive any comments. As a result, DOE used this same trend in its final rule analysis.

In addition, DOE used a ''roll-up'' scenario to establish the market shares by efficiency level for the year that compliance would be required with amended standards (*i.e.,* 2017 for adoption of efficiency levels in ASHRAE Standard 90.1–2013). Table V.8 presents the estimated base-case efficiency market shares for each small commercial air-cooled air conditioner and heat pump equipment class.

TABLE V.11—BASE-CASE EFFICIENCY MARKET SHARES FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 Btu/h

Three-phase air-cooled split-system air conditioners <65,000 Btu/h (2019)		Three-phase air-cooled single-package air conditioners <65,000 Btu/h (2020)		Three-phase air-cooled split-system heat pumps 65,000 Btu/h (2020)		Three-phase air-cooled single-package heat pumps <65,000 Btu/h (2020)	
SEER	Market share (%)	SEER	Market share (%)	SEER	Market share (%)	SEER	Market share (%)
13	26	13	0	13	0	13	0
14	50	14	52	14	80	14	69
15	22	15	30	15	19	15	21
16	2	16	7	16	1	16	9
17	0	17	4	17	0	17	1
18	0	18	7	18	0	18	1
19	0	19	0				

Note: The 0% market share at 13.0 SEER for three equipment classes is accounting for the default adoption of ASHRAE Standard 90.1–2013 levels in 2017.

4. National Energy Savings and Net Present Value

The stock of small commercial air-cooled air conditioner and heat pump equipment less than 65,000 Btu/h is the total number of units in each equipment class purchased or shipped from previous years that have survived until

[24] See DOE's technical support document underlying DOE's July 29, 2004 ANOPR. 69 FR 45460 (Available at: *http://www.regulations.gov/#!documentDetail;D=EERE-2006-STD-0103-0078*). DOE assumed that the EER trend would reasonably represent a SEER trend.

a given point. The NES spreadsheet,[25] through use of the shipments model, keeps track of the total number of units shipped each year. For purposes of the NES and NPV analyses, DOE assumes that shipments of air conditioner and heat pump units survive for an average of 19 years and 16 years, respectively, following a Weibull distribution, at the end of which time they are removed from service.

The national annual energy consumption is the product of the annual unit energy consumption and the number of units of each vintage in the stock, summed over all vintages. This approach accounts for differences in unit energy consumption from year to year. In determining national annual energy consumption, DOE estimated energy consumption and savings based on site energy and converted the electricity consumption and savings to primary energy using annual conversion factors derived from the *AEO 2014* version of NEMS. Cumulative energy savings are the sum of the NES for each year over the timeframe of the analysis.

In response to the recommendations of a committee on ''Point-of-Use and Full-Fuel-Cycle Measurement Approaches to Energy Efficiency Standards'' appointed by the National Academy of Sciences, DOE announced its intention to use FFC measures of energy use and greenhouse gas and other emissions in the national impact analyses and emissions analyses included in future energy conservation standards rulemakings. 76 FR 51281 (Aug. 18, 2011). After evaluating the approaches discussed in the August 18, 2011 notice, DOE published a statement of amended policy in the **Federal Register** in which DOE explained its determination that NEMS is the most appropriate tool for its FFC analysis and its intention to use NEMS for that purpose. 77 FR 49701 (Aug. 17, 2012). The approach used for this final rule is described in Appendix 8A of the final rule TSD.

In accordance with the OMB's guidelines on regulatory analysis, DOE calculated NPV using both a 7-percent and a 3-percent real discount rate. The 7-percent rate is an estimate of the average before-tax rate of return on private capital in the U.S. economy. DOE used this discount rate to approximate the opportunity cost of capital in the private sector, because recent OMB analysis has found the average rate of return on capital to be near this rate. DOE used the 3-percent rate to capture the potential effects of standards on private consumption (*e.g.,* through higher prices for products and reduced purchases of energy). This rate represents the rate at which society discounts future consumption flows to their present value. This rate can be approximated by the real rate of return on long-term government debt (*i.e.,* yield on United States Treasury notes minus annual rate of change in the Consumer Price Index), which has averaged about 3 percent on a pre-tax basis for the past 30 years.

Table V.12 summarizes the inputs to the NES spreadsheet model along with a brief description of the data sources. The results of DOE's NES and NPV analysis are summarized in section VIII.B.1.b and described in detail in chapter 8 of the final rule TSD.

TABLE V.12—SUMMARY OF SMALL COMMERCIAL AIR-COOLED AIR CONDITIONER AND HEAT PUMPS <65,000 Btu/h NES AND NPV MODEL INPUTS

Inputs	Description
Shipments	Annual shipments based on U.S. Census, AHRI monthly shipment reports, and *AEO2014* forecasts of commercial floor space. (See chapter 7 of the final rule TSD.)
Compliance Date of Standard	2020 for adoption of a more-stringent efficiency level than those specified by ASHRAE Standard 90.1–2013 for the three equipment classes triggered by ASHRAE. 2017 for adoption of the efficiency levels specified by ASHRAE Standard 90.1–2013. 2019 for split-system air conditioners.
Base-Case Efficiencies	Distribution of base-case shipments by efficiency level, with efficiency trend of an increase of 1 EER every 35 years.
Standards-Case Efficiencies	Distribution of shipments by efficiency level for each standards case. In compliance year, units below the standard level ''roll-up'' to meet the standard. Efficiency trend of an increase of 1 EER every 35 years.
Annual Energy Use per Unit	Annual national weighted-average values are a function of efficiency level. (See chapter 4 of the final rule TSD.)
Total Installed Cost per Unit	Annual weighted-average values are a function of efficiency level. (See chapter 5 of the final rule TSD.)
Annualized Maintenance and Repair Costs per Unit.	Annual weighted-average values are a function of efficiency level. (See chapter 5 of the final rule TSD.)
Escalation of Fuel Prices	*AEO2014* forecasts (to 2040) and extrapolation for beyond 2040. (See chapter 8 of the final rule TSD.)
Site to Primary and FFC Conversion.	Based on *AEO2014* forecasts (to 2040) and extrapolation for beyond 2040. (See chapter 8 of the final rule TSD.)
Discount Rate	3 percent and 7 percent real.
Present Year	Future costs are discounted to 2015.

VI. Methodology for Water-Source Heat Pumps

This section addresses the analyses DOE has performed for this rulemaking with respect to water-source heat pumps. A separate subsection addresses each analysis. In overview, DOE used a spreadsheet to calculate the LCC and PBPs of potential energy conservation standards. DOE used another spreadsheet to provide shipments projections and then calculate national energy savings and net present value impacts of potential amended energy conservation standards.

A. Market Assessment

To begin its review of the ASHRAE Standard 90.1–2013 efficiency levels, DOE developed information that provides an overall picture of the market for the equipment concerned, including the purpose of the equipment, the industry structure, and market characteristics. This activity included both quantitative and qualitative assessments based primarily on publicly-available information. The subjects addressed in the market assessment for this rulemaking include

[25] The NES spreadsheet can be found in the docket for the ASHRAE rulemaking at: *www.regulations.gov/#!docketDetail;D=EERE-2014-BT-STD-0015.*

equipment classes, manufacturers, quantities, and types of equipment sold and offered for sale. The key findings of DOE's market assessment are summarized subsequently. For additional detail, see chapter 2 of the final rule TSD.

As proposed in the January 2015 NOPR, DOE is adopting the following definition for water-source heat pumps, adapted from the ASHRAE Handbook [26] and specifically referencing the new nomenclature included in ASHRAE 90.1–2013: ''*Water-source heat pump* means a single-phase or three-phase reverse-cycle heat pump of all capacities (up to 760,000 Btu/h) that uses a circulating water loop as the heat source for heating and as the heat sink for cooling. The main components are a compressor, refrigerant-to-water heat exchanger, refrigerant-to-air heat exchanger, refrigerant expansion devices, refrigerant reversing valve, and indoor fan. Such equipment includes, but is not limited to, water-to-air water-loop heat pumps.'' 80 FR 1171, 1182–1183 (Jan. 8, 2015).

1. Equipment Classes

EPCA and ASHRAE Standard 90.1–2013 both divide water-source heat pumps into three categories based on the following cooling capacity ranges: (1) <17,000 Btu/h; (2) ≥17,000 and <65,000 Btu/h; and (3) ≥65,000 and <135,000 Btu/h. ASHRAE 90.1–2013 revised the nomenclature for these equipment classes to refer to ''water-to-air, water-loop.'' In this document, DOE is revising the nomenclature for these equipment classes (but not the broader category) to match that used by ASHRAE. Specifically, DOE revises Table 1 to 10 CFR 431.96 and Tables 1 and 2 to 10 CFR 431.97 to refer to ''water-source (water-to-air, water-loop)'' heat pumps rather than simply ''water-source'' heat pumps. Throughout this final rule, any reference to water-source heat pump equipment classes should be considered as referring to water-to-air, water-loop heat pumps.

2. Review of Current Market

In order to obtain the information needed for the market assessment for this rulemaking, DOE consulted a variety of sources, including manufacturer literature, manufacturer Web sites, and the AHRI certified directory.[27] The information DOE gathered serves as resource material throughout the rulemaking. The sections that follow provide an overview of the market assessment, and chapter 2 of the final rule TSD provides additional detail on the market assessment, including citations to relevant sources.

a. Trade Association Information

DOE identified the same trade groups relevant to water-source heat pumps as to those listed in section V.A.2.a for small air-cooled air conditioners and heat pumps, namely AHRI, HARDI, and ACCA. DOE used data available from AHRI in its analysis, as described in the next section.

b. Manufacturer Information

DOE reviewed data for water-source (water-to-air, water-loop) heat pumps currently on the market by examining the AHRI Directory of Certified Product Performance. DOE identified 18 parent companies (comprising 21 manufacturers) of water-source (water-to-air, water-loop) heat pumps, which are listed in chapter 2 of the final rule TSD. Of these manufacturers, seven were identified as small businesses based upon number of employees and the employee thresholds set by the Small Business Administration. More details on this analysis can be found below in section IX.B.

c. Market Data

DOE reviewed the AHRI database to characterize the efficiency and performance of water-source (water-to-air, water-loop) heat pump models currently on the market. The full results of this market characterization are found in chapter 2 of the final rule TSD. For water-source heat pumps less than 17,000 Btu/h, the average EER was 13.8, and the average coefficient of performance (COP) was 4.7. Of the models identified by DOE, 34 (six percent of the total models) have EERs rated below the ASHRAE Standard 90.1–2013 levels, and 30 (five percent of the total models) have COPs rated below the ASHRAE Standard 90.1–2013 levels. For water-source heat pumps greater than or equal to 17,000 Btu/h and less than 65,000 Btu/h, the average EER was 15.2, and the average COP was 4.9. Of the models identified by DOE, 72 (two percent of the total models) have EERs rated below the ASHRAE Standard 90.1–2013 levels, and 133 (four percent of the total models) have COPs rated below the ASHRAE Standard 90.1–2013 levels. For water-source heat pumps greater than or equal to 65,000 Btu/h and less than 135,000 Btu/h, the average EER was 14.7, and the average COP was 4.8. Of the models identified by DOE, five (one percent of the total models) have EERs rated below the ASHRAE Standard 90.1–2013 levels, and two (0.5 percent of the total models) have COPs rated below the ASHRAE Standard 90.1–2013 levels.

B. Engineering Analysis

The engineering analysis establishes the relationship between an increase in energy efficiency and the increase in cost (manufacturer selling price (MSP)) of a piece of equipment DOE is evaluating for potential amended energy conservation standards. This relationship serves as the basis for cost-benefit calculations for individual consumers, manufacturers, and the Nation. The engineering analysis identifies representative baseline equipment, which is the starting point for analyzing possible energy efficiency improvements. For covered ASHRAE equipment, DOE sets the baseline for analysis at the ASHRAE Standard 90.1 efficiency level, because by statute, DOE cannot adopt any level below the revised ASHRAE level. The engineering analysis then identifies higher efficiency levels and the incremental increase in product cost associated with achieving the higher efficiency levels. After identifying the baseline models and cost of achieving increased efficiency, DOE estimates the additional costs to the commercial consumer through an analysis of contractor costs and markups, and uses that information in the downstream analyses to examine the costs and benefits associated with increased equipment efficiency.

DOE typically structures its engineering analysis around one of three methodologies: (1) The design-option approach, which calculates the incremental costs of adding specific design options to a baseline model; (2) the efficiency-level approach, which calculates the relative costs of achieving increases in energy efficiency levels without regard to the particular design options used to achieve such increases; and/or (3) the reverse-engineering or cost-assessment approach, which involves a ''bottom-up'' manufacturing cost assessment based on a detailed bill of materials derived from teardowns of the equipment being analyzed. A supplementary method called a catalog teardown uses published manufacturer catalogs and supplementary component data to estimate the major physical differences between a piece of equipment that has been physically

[26] 2012 ASHRAE Handbook, Heating, Ventilating, and Air-Conditioning Systems and Equipment. ASHRAE, Chapter 9 (Available at: *https://www.ashrae.org/resources__publications/description-of-the-2012-ashrae-handbook-hvac-systems-and-equipment*).

[27] AHRI Directory of Certified Product Performance (2013) (Available at: *www.ahridirectory.org*) (Last accessed November 11, 2013).

disassembled and another piece of similar equipment for which catalog data are available to determine the cost of the latter equipment. Deciding which methodology to use for the engineering analysis depends on the equipment, the design options under study, and any historical data upon which DOE may draw.

1. Approach

As discussed in the January 2015 NOPR, DOE used a combination of the efficiency-level approach and the cost-assessment approach. 80 FR 1171, 1200 (Jan. 8, 2015). DOE used the efficiency-level approach to identify incremental improvements in efficiency for each equipment class and the cost-assessment approach to develop a cost for each efficiency level. The efficiency levels that DOE considered in the engineering analysis were representative of commercial water-source heat pumps currently produced by manufacturers at the time the engineering analysis was developed. DOE relied on data reported in the AHRI Directory of Certified Product Performance to select representative efficiency levels. This directory reported EER, COP, heating and cooling capacities, and other data for all three application types (water-loop, ground-water, ground-loop) for all AHRI-certified units. After identifying representative efficiency levels, DOE used a catalog teardown or ''virtual teardown'' approach to estimate equipment costs at each level. DOE obtained general descriptions of key water-source heat pump components in product literature and used data collected for dozens of HVAC products to characterize the components' design details. This approach was used instead of the physical teardown approach due to time constraints.

In the January 2015 NOPR, DOE noted the drawbacks to using a catalog teardown approach. 80 FR 1171, 1200 (Jan. 8, 2015). However, DOE tentatively concluded the approach provided a reasonable approximation of all cost increases associated with efficiency increases. DOE did not receive any comments that rejected this conclusion, and therefore, adopts it in this Final Rule.

After selecting efficiency levels for each capacity class, as described in the sections that follow, DOE selected products for the catalog teardown analysis that corresponded to the representative efficiencies and cooling capacities. The engineering analysis included data for over 60 water-source heat pumps. DOE calculated the MPC for products spanning the full range of efficiencies from the baseline to the max-tech level for each analyzed equipment class. In some cases, catalog data providing sufficient information for cost analysis were not available at each efficiency level under consideration. Hence, DOE calculated the costs for some of the efficiency levels based on the cost/efficiency trends observed for other efficiency levels for which such catalog data were available. The engineering analysis is described in more detail in chapter 3 of the final rule TSD.

2. Baseline Equipment

DOE selected baseline efficiency levels as reference points for each equipment class, against which it measured changes resulting from potential amended energy conservation standards. DOE defined the baseline efficiency levels as reference points to compare the technology, energy savings, and cost of equipment with higher energy efficiency levels. Typically, units at the baseline efficiency level just meet Federal energy conservation standards and provide basic consumer utility. However, EPCA requires that DOE must adopt either the ASHRAE Standard 90.1–2013 levels or more-stringent levels. Therefore, because the ASHRAE Standard 90.1–2013 levels were the lowest levels that DOE could adopt, DOE used those levels as the reference points against which more-stringent levels could be evaluated. Table VI.1 shows the current baseline and ASHRAE efficiency levels for each water-source heat pump equipment class. In Table VI.2 below, the ASHRAE levels are designated ''0'' and more-stringent levels are designated 1, 2, and so on.

TABLE VI.1—BASELINE EFFICIENCY LEVELS FOR WATER-SOURCE HEAT PUMPS

	Water-source (water-to-air, water-loop) heat pumps <17,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥17,000 and <65,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥65,000 and <135,000 Btu/h
Efficiency Level (EER)			
Baseline—Federal Standard	11.2	12.0	12.0
Baseline—ASHRAE Standard	12.2	13.0	13.0

3. Identification of Increased Efficiency Levels for Analysis

DOE developed and considered potential increased energy efficiency levels for each equipment class. These more-stringent efficiency levels are representative of efficiency levels along the technology paths that manufacturers of residential heating products commonly use to maintain cost-effective designs while increasing energy efficiency. DOE developed more-stringent energy efficiency levels for each of the equipment classes, based on a review of AHRI's Directory of Certified Product Performance, manufacturer catalogs, and other publicly-available literature. The efficiency levels selected for analysis for each water-source heat pump equipment class are shown in Table VI.2. Chapter 3 of the final rule TSD shows additional details on the efficiency levels selected for analysis.

TABLE VI.2—EFFICIENCY LEVELS FOR ANALYSIS OF WATER-SOURCE HEAT PUMPS

	Water-source (water-to-air, water-loop) heat pumps <17,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥17,000 and <65,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥65,000 and <135,000 Btu/h
Efficiency Level (EER, Btu/W-h)			
Baseline—Federal Standard	11.2	12.0	12.0
Baseline—ASHRAE Level (0)	12.2	13.0	13.0
Efficiency Level 1	13.0	14.6	14.0
Efficiency Level 2	14.0	16.6	15.0
Efficiency Level 3	15.7	18.0	16.0
Efficiency Level 4*	16.5	19.2	17.2
Efficiency Level 5**	18.1	21.6	-

* Efficiency Level 4 is "Max-Tech" for the largest equipment classes.
** Efficiency Level 5 is "Max-Tech" for the two smaller equipment classes.

4. Engineering Analysis Results

The results of the engineering analysis are cost-efficiency curves based on results from the cost models for analyzed units. DOE's calculated MPCs for the three analyzed classes of water-source heat pumps are shown in Table VI.3. DOE used the cost-efficiency curves from the engineering analysis as an input for the life-cycle cost and PBP analysis. Further details regarding MPCs for water-source heat pumps may be found in chapter 3 of the final rule TSD.

TABLE VI.3—MANUFACTURER PRODUCTION COSTS FOR WATER-SOURCE HEAT PUMPS

	Water-source (water-to-air, water-loop) heat pumps <17,000 Btu/h		Water-source (water-to-air, water-loop) heat pumps ≥17,000 and <65,000 Btu/h		Water-source (water-to-air, water-loop) heat pumps ≥65,000 and <135,000 Btu/h	
	EER	MPC (2014$)	EER	MPC (2014$)	EER	MPC (2014$)
ASHRAE—Level 0	12.2	860	13.0	1,346	13.0	3,274
Efficiency Level 1	13.0	904	14.6	1,463	14.0	3,660
Efficiency Level 2	14.0	960	16.6	1,609	15.0	4,045
Efficiency Level 3	15.7	1,053	18.0	1,711	16.0	4,431
Efficiency Level 4	16.5	1,097	19.2	1,798	17.2	4,893
Efficiency Level 5	18.1	1,185	21.6	1,974	.....	.....

a. Manufacturer Markups

As discussed in detail in section V.B.4.a, DOE applies a non-production cost multiplier (the manufacturer markup) to the full MPC to account for corporate non-production costs and profit. The resulting manufacturer selling price (MSP) is the price at which the manufacturer can recover all production and nonproduction costs and earn a profit. Because water-source heat pumps and commercial air-cooled equipment are sold by similar heating and cooling product manufacturers, DOE used the same manufacturer markup of 1.3 that was developed for small commercial air-cooled air-conditioners and heat pumps, as described in chapter 3 of the final rule TSD.

b. Shipping Costs

Manufacturers of commercial HVAC equipment typically pay for freight (shipping) to the first step in the distribution chain. Freight is not a manufacturing cost, but because it is a substantial cost incurred by the manufacturer, DOE accounts for shipping costs separately from other non-production costs that comprise the manufacturer markup. DOE calculated the MSP for water-source heat pumps by multiplying the MPC at each efficiency level (determined from the cost model) by the manufacturer markup and adding shipping costs. Shipping costs for water-source heat pumps were calculated similarly to those for small commercial air-cooled air-conditioners and heat pumps described in section V.B.4.b. See chapter 3 of the final rule TSD for more details about DOE's shipping cost assumptions and the shipping costs per unit for each water-source heat pump product class.

C. Markups Analysis

The markups analysis develops appropriate markups in the distribution chain to convert the estimates of manufacturer selling price derived in the engineering analysis to commercial consumer prices.[28] DOE calculates overall baseline and incremental markups based on the equipment markups at each step in the distribution chain. The incremental markup relates the change in the manufacturer sales price of higher-efficiency models (the incremental cost increase) to the change in the commercial consumer price.

For water-source heat pumps, DOE used the same markups that DOE developed for small commercial air-cooled air-conditioners and heat pumps, as discussed in section V.C. DOE understands that all the types of equipment move through the same distribution channels and that, therefore, using the same markups is reasonable. In addition, DOE's development of markups within those channels is at the broader equipment category level, in this case heating, ventilation, and air-conditioning equipment. As with small commercial air-cooled equipment, in the January 2015 NOPR, DOE did not use national accounts in its markups analysis for water-source heat pumps, because DOE does not believe that the commercial consumers of water-source heat pump

[28] "Commercial consumer" refers to purchasers of the equipment being regulated.

equipment less than 135,000 Btu/h would typically be national retail chains that negotiate directly with manufacturers. 80 FR 1171, 1202. DOE sought comment on whether the use of national accounts would be appropriate in this analysis. DOE did not receive any comments, and as such has retained its approach in this final rule.

Chapter 6 of the final rule TSD provides further detail on the estimation of markups.

D. Energy Use Analysis

The energy use analysis provides estimates of the annual energy consumption of water-source heat pumps at the considered efficiency levels. DOE uses these values in the LCC and PBP analyses and in the NIA.

The cooling unit energy consumption (UEC) by equipment type and efficiency level used in the January 2015 NOPR came from Appendix D of the 2000 Screening Analysis for EPACT-Covered Commercial HVAC and Water-Heating Equipment. (EERE–2006–STD–0098–0015). 80 FR 1171, 1202. Where identical efficiency levels were available, DOE used the UEC directly from the screening analysis. For additional efficiency levels, DOE scaled the UECs based on the ratio of EER, as was done in the original analysis. DOE also adjusted the cooling energy use from the 2000 Screening Analysis using factors from the NEMS commercial demand module that account for improvements in building shell characteristics and changes in internal load as a function of region and building activity.

In response to the January 2015 NOPR, NEEA commented that DOE should revise its energy analysis for water-source heat pumps by factoring in the oversizing of equipment, which leads to additional energy use. In addition, NEEA also noted that in the field, FLEOH does not scale proportionally with EER at higher EER levels, instead decreasing at a higher rate as a result of better part load performance. (NEEA, No. 41 at p. 2) DOE acknowledges that the original 2000 Screening Analysis sized equipment based on design-day peak load and did not explicitly account for oversizing, and as such may be a conservative estimate of energy usage. However, the uncertainty in the energy use analysis that was cited in the January 2015 NOPR extends well beyond the sizing factors. 80 FR 1171, 1225 − 1226 (Jan. 8, 2015). For example, DOE has no data on distribution by building type or field data to corroborate UEC estimates or simulations results. Furthermore, DOE has no data with which to modify the scaling of UEC with EER. While altering its assumptions on sizing and UEC scaling could impact the analytical results, it would not change DOE's fundamental determination that there is too much uncertainty in the energy use and other analyses to justify a standard level more stringent than those in ASHRAE 90.1–2013. Therefore, given the lack of available data and lack of potential impact on the policy decision, DOE has not modified the cooling side energy use for the final rule.

In the January 2015 NOPR, to characterize the heating-side performance, DOE analyzed CBECS 2003 data to develop a national-average annual energy use per square foot for buildings that use heat pumps. 80 FR 1171, 1202 (Jan. 8, 2015). DOE assumed that the average COP of the commercial unitary heat pump (CUHP) was 2.9.[29] DOE converted the energy use per square foot value to annual energy use per ton using a ton-per-square-foot relationship derived from the energy use analysis in the 2014 CUAC NOPR. (EERE–2013–BT–STD–0007–0027) Although this analysis in the NOPR related to equipment larger than some of the equipment that is the subject of this final rule and is directly applicable only to air-source heat pumps rather than water-source heat pumps, DOE assumed that this estimate was sufficiently representative of the heating energy use for all three classes of water-source heat pumps. DOE sought comment on this issue but did not receive any. As a result, DOE has retained this approach for the final rule.

Because equipment energy use is a function of efficiency, DOE assumed that the annual heating energy consumption of a unit scales proportionally with its heating COP efficiency level. Finally, to determine the COPs of units with given EERs, DOE correlated COP to EER based on the AHRI Certified Equipment Database.[30] Thus, for any given cooling efficiency of a water-source heat pump, DOE was able to use this method to establish the corresponding heating efficiency, and, in turn, the associated annual heating energy consumption.

In order to create variability in the cooling and heating UECs by region and building type, in the January 2015 NOPR, DOE used a Pacific Northwest National Laboratory report[31] that estimated the annual energy usage of space cooling and heating products using a Full Load Equivalent Operating Hour (FLEOH) approach. 80 FR 1171, 1202–1203 (Jan. 8, 2015). DOE normalized the provided FLEOHs to the UECs taken from the 2011 DFR for central air conditioners and heat pumps to vary the average UEC across region and building type. DOE used the following building types: office, education, lodging, multi-family apartments, and healthcare. 80 FR at 1203. DOE sought comment on whether these building types are appropriate or whether there are other building types that should be considered for the water-source heat pump analysis. DOE did not receive any comments on this issue and retained the same building types for this final rule analysis.

E. Life-Cycle Cost and Payback Period Analysis

The purpose of the LCC and PBP analysis is to analyze the effects of potential amended energy conservation standards on commercial consumers of water-source heat pumps by determining how a potential amended standard affects their operating expenses (usually decreased) and their total installed costs (usually increased).

The LCC is the total consumer expense over the life of the equipment, consisting of equipment and installation costs plus operating costs (*i.e.,* expenses for energy use, maintenance, and repair). DOE discounts future operating costs to the time of purchase using commercial consumer discount rates. The PBP is the estimated amount of time (in years) it takes commercial consumers to recover the increased total installed cost (including equipment and installation costs) of a more-efficient type of equipment through lower operating costs. DOE calculates the PBP by dividing the change in total installed cost (normally higher) due to a standard by the change in annual operating cost (normally lower) that results from the potential standard. However, unlike the LCC, DOE only considers the first year's operating expenses in the PBP calculation. Because the PBP does not account for changes in operating expense over time or the time value of money, it is also referred to as a simple PBP.

For any given efficiency level, DOE measures the PBP and the change in LCC relative to an estimate of the base-case efficiency level. For water-source

[29] A heating efficiency of 2.9 COP corresponds to the existing minimum heating efficiency standard for commercial unitary heat pumps, a value which DOE believes is representative of the heat pump stock characterized by CBECS.

[30] See: *http://www.ahridirectory.org/ahridirectory/pages/homeM.aspx.*

[31] See Appendix D of the 2000 Screening Analysis for EPACT-Covered Commercial HVAC and Water-Heating Equipment. (EERE–2006–STD–0098–0015)

heat pumps, the base-case estimate reflects the market in the case where the ASHRAE level becomes the Federal minimum, and the LCC calculates the LCC savings likely to result from higher efficiency levels compared with the ASHRAE base case.

DOE conducted an LCC and PBP analysis for water-source heat pumps using a computer spreadsheet model. When combined with Crystal Ball (a commercially-available software program), the LCC and PBP model generates a Monte Carlo simulation to perform the analyses by incorporating uncertainty and variability considerations in certain of the key parameters as discussed below. Inputs to the LCC and PBP analysis are categorized as: (1) Inputs for establishing the total installed cost and (2) inputs for calculating the operating expense. The following sections contain brief discussions of comments on the inputs and key assumptions of DOE's LCC and PBP analysis and explain how DOE took these comments into consideration. They are also described in detail in chapter 6 of the final rule TSD.

1. Equipment Costs

In the LCC and PBP analysis, the equipment costs faced by purchasers of water-source heat pumps are derived from the MSPs estimated in the engineering analysis, the overall markups estimated in the markups analysis, and sales tax.

To develop an equipment price trend, DOE derived an inflation-adjusted index of the PPI for ''all other miscellaneous refrigeration and air-conditioning equipment'' from 1990–2013, which is the PPI series most relevant to water-source heat pumps. Although the inflation-adjusted index shows a declining trend from 1990 to 2004, data since 2008 have shown a flat-to-slightly rising trend. Given the uncertainty as to which of the trends will prevail in coming years, DOE chose to apply a constant price trend (at 2013 levels) for each efficiency level in each equipment class for the final rule. See chapter 6 of the final rule TSD for more information on the price trends.

2. Installation Costs

DOE derived installation costs for water-source heat pump equipment from current RS Means data (2013).[32] RS Means provides estimates for installation costs for the subject equipment by equipment capacity, as well as cost indices that reflect the variation in installation costs for 656 cities in the United States. The RS Means data identify several cities in all 50 States and the District of Columbia. DOE incorporated location-based cost indices into the analysis to capture variation in installation costs, depending on the location of the consumer.

Based on these data, DOE concluded that data for 1-ton, 3-ton, and 7.5-ton water-source heat pumps would be sufficiently representative of the installation costs for of water-source heat pumps with capacities of less than 17,000 btu/h, greater than or equal to 17,000 and less than 65,000 btu/h, and greater than or equal to 65,000 and less than 135,000 btu/h, respectively.

DOE also varied installation cost as a function of equipment weight. Because weight tends to increase with equipment efficiency, installation cost increased with equipment efficiency. The weight of the equipment in each class and efficiency level was determined through the engineering analysis.

3. Unit Energy Consumption

The calculation of annual per-unit energy consumption by each class of the subject water-source heat pumps at each considered efficiency level based on the energy use analysis is described above in section VI.D and in chapter 4 of the final rule TSD.

4. Electricity Prices and Electricity Price Trends

DOE used the same average and marginal electricity prices and electricity price trends as discussed in the methodology for small commercial air-cooled air conditioners and heat pumps (see section V.E.4). These data were developed for the broader commercial air-conditioning category and, thus, are also relevant to water-source heat pumps.

5. Maintenance Costs

Maintenance costs are costs to the commercial consumer of ensuring continued operation of the equipment (*e.g.,* checking and maintaining refrigerant charge levels and cleaning heat-exchanger coils). Because RS Means does not provide maintenance costs for water-source heat pumps, DOE used annualized maintenance costs for air-source heat pumps, the closest related equipment category, derived from RS Means data.[33] 80 FR 1171, 1203–1204 (Jan. 8, 2015). DOE does not expect the maintenance costs for water-source heat pumps to differ significantly from those for air-source heat pumps. These data provided estimates of person-hours, labor rates, and materials required to maintain commercial air-source heat pumps. The estimated annualized maintenance cost, in 2014 dollars, is $334 for a heat pump rated up to 60,000 btu/h and $404 for a heat pump rated greater than 60,000 btu/h. DOE applied the former cost to water-source heat pumps less than 17,000 Btu/h and heat pumps greater than or equal to 17,000 and less than 65,000 Btu/h. DOE applied the latter cost to water-source heat pumps greater than or equal to 65,000 Btu/h and less than 135,000 Btu/h. DOE requested comment on how maintenance costs for water-source heat pumps might be expected to differ from that for air-source heat pumps. DOE did not receive any comments, and as such has retained the same approach in the final rule.

6. Repair Costs

Repair costs are costs to the commercial consumer associated with repairing or replacing components that have failed. As with maintenance costs, RS Means does not provide repair costs for water-source heat pumps. Therefore, DOE assumed the repair costs for water-source heat pumps would be similar to air-source units and utilized RS Means[34] to find the repair costs for air-source heat pumps. 80 FR 1171, 1204 (Jan. 8, 2015). DOE does not expect the repair costs for water-source heat pumps to differ significantly from those for air-source heat pumps. DOE took the repair costs for 1.5-ton, 5-ton, and 10-ton air to air heat pumps and linearly scaled the repair costs to derive repair costs for 1-ton, 3-ton, and 7.5-ton equipment. DOE assumed that the repair would be a one-time event in year 10 of the equipment life. DOE then annualized the present value of the cost over the average equipment life (see next section) to obtain an annualized equivalent repair cost. This value, in 2014 dollars, ranged from $93 to $240 for the ASHRAE baseline, depending on equipment class. The materials portion of the repair cost was scaled with the percentage increase in manufacturers' production cost by efficiency level. The labor cost was held constant across efficiency levels. This annualized repair cost was then added to the maintenance cost to create an annual ''maintenance and repair cost'' for the lifetime of the equipment. In the January 2015 NOPR, DOE requested comment on how repair costs for water-source heat pumps might be expected to differ from that for air-source heat

[32] RS Means Mechanical Cost Data 2013. *Reed Construction Data, LLC. (2012).*

[33] RS Means Facilities Maintenance & Repair Cost Data 2013. *Reed Construction Data, LLC. (2012).*

[34] *Id.*

pumps. 80 FR 1171, 1204 (Jan. 8, 2015). DOE did not receive comment and as such, retained the same approach for the final rule. For further discussion of how DOE derived and implemented repair costs, see chapter 8 of the final rule TSD.

7. Equipment Lifetime

Equipment lifetime is the age at which the subject water-source heat pumps are retired from service. In the January 2015 NOPR, DOE based equipment lifetime on a retirement function in the form of a Weibull probability distribution, with a mean of 19 years. 80 FR 1171, 1204 (Jan. 8, 2015). Because a function specific to water-source heat pumps was not available, DOE used the function for air-cooled air conditioners presented in the 2011 DFR (EERE–2011–BT–STD–0011–0012), as it is for similar equipment and represented the desired mean lifetime of 19 years. In the NOPR, DOE requested data and information that would help it develop a retirement function specific to water-source heat pumps. DOE did not receive any comments, and as such retained the same Weibull distribution in the final rule.

8. Discount Rate

The discount rate is the rate at which future expenditures are discounted to estimate their present value. The cost of capital commonly is used to estimate the present value of cash flows to be derived from a typical company project or investment. Most companies use both debt and equity capital to fund investments, so the cost of capital is the weighted-average cost of capital (WACC) to the firm of equity and debt financing. DOE uses the capital asset pricing model (CAPM) to calculate the equity capital component, and financial data sources to calculate the cost of debt financing.

DOE derived the discount rates by estimating the cost of capital of companies that purchase water-source heat pump equipment. More details regarding DOE's estimates of commercial consumer discount rates are provided in chapter 6 of the final rule TSD.

9. Base-Case Market Efficiency Distribution

For the LCC analysis, DOE analyzes the considered efficiency levels relative to a base case (*i.e.,* the case without amended energy efficiency standards, in this case the default scenario in which DOE is statutorily required to adopt the efficiency levels in ASHRAE 90.1–2013). This analysis requires an estimate of the distribution of equipment efficiencies in the base case (*i.e.,* what consumers would have purchased in the compliance year in the absence of amended standards more stringent than those in ASHRAE 90.1–2013). DOE refers to this distribution of equipment energy efficiencies as the base-case efficiency distribution. For more information on the development of the base-case distribution, see section VI.F.3 and chapter 6 of the final rule TSD.

10. Compliance Date

DOE calculated the LCC and PBP for all commercial consumers as if each were to purchase new equipment in the year that compliance with amended standards is required. Generally, covered equipment to which a new or amended energy conservation standard applies must comply with the standard if such equipment is manufactured or imported on or after a specified date. In this final rule, DOE has evaluated whether more-stringent efficiency levels than those in ASHRAE Standard 90.1–2013 would be technologically feasible, economically justified, and result in a significant additional amount of energy savings and has declined to implement more stringent efficiency levels. EPCA states that compliance with any such standards shall be required on or after a date which is two or three years (depending on equipment size) after the compliance date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard. (42 U.S.C. 6313(a)(6)(D)) Given the equipment size at issue here, DOE has applied the two-year implementation period to water-source heat pumps manufactured on or after October 9, 2015, which is two years after the publication date of ASHRAE Standard 90.1–2013.

Economic justification is not required for DOE to adopt the efficiency levels in ASHRAE 90.1–2013, as DOE is statutorily required to, at a minimum, adopt those levels. Therefore, DOE did not perform an LCC analysis on the ASHRAE Standard 90.1–2013 levels, and, for purposes of the LCC analysis, DOE used 2020 as the first year of compliance with amended standards.

11. Payback Period Inputs

The payback period is the amount of time it takes the commercial consumer to recover the additional installed cost of more-efficient equipment, compared to baseline equipment, through energy cost savings. Payback periods are expressed in years. Payback periods that exceed the life of the equipment mean that the increased total installed cost is not recovered in reduced operating expenses.

Similar to the LCC, the inputs to the PBP calculation are the total installed cost of the equipment to the commercial consumer for each efficiency level and the average annual operating expenditures for each efficiency level for each building type and Census Division, weighted by the probability of shipment to each market. The PBP calculation uses the same inputs as the LCC analysis, except that discount rates are not needed. Because the simple PBP does not take into account changes in operating expenses over time or the time value of money, DOE considered only the first year's operating expenses to calculate the PBP, unlike the LCC, which is calculated over the lifetime of the equipment. Chapter 6 of the final rule TSD provides additional detail about the PBP.

F. National Impact Analysis—National Energy Savings and Net Present Value Analysis

The NIA evaluates the effects of a considered energy conservation standard from a national perspective rather than from the consumer perspective represented by the LCC. This analysis assesses the NPV (future amounts discounted to the present) and the NES of total commercial consumer costs and savings, which are expected to result from amended standards at specific efficiency levels. For each efficiency level analyzed, DOE calculated the NPV and NES for adopting more-stringent standards than the efficiency levels specified in ASHRAE Standard 90.1–2013.

The NES refers to cumulative energy savings from 2016 through 2045; [35] however, when evaluating more-stringent standards, energy savings do not begin accruing until the later compliance date of 2020. DOE calculated new energy savings in each year relative to a base case, defined as DOE adoption of the efficiency levels specified by ASHRAE Standard 90.1–2013. DOE also calculated energy savings from adopting efficiency levels specified by ASHRAE Standard 90.1–2013 compared to the EPCA base case (*i.e.,* the current Federal standards).

The NPV refers to cumulative monetary savings. DOE calculated net monetary savings in each year relative to the base case (ASHRAE Standard 90.1–2013) as the difference between total operating cost savings and increases in total installed cost.

[35] Although the expected compliance date for adoption of the efficiency levels in ASHRAE Standard 90.1–2013 is October 9, 2015, DOE began its analysis period in 2016 to avoid ascribing savings to the three-quarters of 2015 prior to the compliance date.

Cumulative savings are the sum of the annual NPV over the specified period. DOE accounted for operating cost savings until past 2100, when the equipment installed in the thirtieth year after the compliance date of the amended standards should be retired.

1. Approach

The NES and NPV are a function of the total number of units and their efficiencies. Both the NES and NPV depend on annual shipments and equipment lifetime. Both calculations start by using the shipments estimate and the quantity of units in service derived from the shipments model. DOE used the same approach to determine NES and NPV for water-source heat pumps which was used for small commercial air-cooled air-conditioning and heating equipment, as described in section V.F.1. In this case, the analysis period runs from 2016 through 2045.

In the January 2015 NOPR, DOE considered whether a rebound effect is applicable in its NES analysis, a concept explained in detail in section V.F. 1. 80 FR 1171, 1205 (Jan. 8, 2015). DOE did not expect commercial consumers with water-source heat pump equipment to increase their use of the equipment, either in a previously cooled space or another previously uncooled space. Water-source heat pumps are part of engineered water-loop systems designed for specific applications. It is highly unlikely that the operation or installation of these systems would be changed simply as a result of energy cost savings. Therefore, DOE did not assume a rebound effect in the NOPR analysis. DOE sought input from interested parties on whether there will be a rebound effect for improvements in the efficiency of water-source heat pumps, but did not receive any comment. As a result, DOE retained its assumptions in this final rule.

2. Shipments Analysis

Equipment shipments are an important element in the estimate of the future impact of a potential energy conservation standard. DOE developed shipment projections for water-source heat pumps and, in turn, calculated equipment stock over the course of the analysis period by assuming a Weibull distribution with an average 19-year equipment life. (See section V.E.7 for more information on equipment lifetime.) DOE used the shipments projection and the equipment stock to determine the NES. The shipments portion of the spreadsheet model projects water-source heat pump shipments through 2045.

DOE based its shipments analysis for water-source heat pumps on data from the U.S. Census. The U.S. Census published historical (1980, 1983–1994, 1997–2006, and 2008–2010) water-source heat pump shipment data.[36] Table VI.4 exhibits the shipment data provided for a selection of years. DOE analyzed data from the years 1990–2010 to establish a trend from which to project shipments beyond 2010. DOE used a linear trend. Because the Census data do not distinguish between equipment capacities, DOE used the shipments data by equipment class provided by AHRI in 1999, and published in the 2000 Screening Analysis for EPACT-Covered Commercial HVAC and Water-Heating Equipment (EERE–2006–STD–0098–0015), to distribute the total water-source heat pump shipments to individual equipment classes. Table VI.5 exhibits the shipment data provided for 1999. DOE assumed that this distribution of shipments across the various equipment classes remained constant and has used this same distribution in its projection of future shipments of water-source heat pumps. The complete historical data set and the projected shipments for each equipment class can be found in the chapter 7 of the final rule TSD.

TABLE VI.4—TOTAL SHIPMENTS OF WATER-SOURCE HEAT PUMPS

[Census product code: 333415E181]

	1989	1999	2009
Total	157,080	120,545	180,101

TABLE VI.5—TOTAL SHIPMENTS OF WATER-SOURCE HEAT PUMPS (AHRI)

Equipment class	1999	Percent
WSHP <17000 Btu/h	41,000	31
WSHP 17000–65000 Btu/h	86,000	65
WSHP 65000–135000 Btu/h	5,000	4

Table VI.6 shows the projected shipments for the different equipment classes of water-source heat pumps for selected years from 2016 to 2045, as well as the cumulative shipments.

TABLE VI.6—SHIPMENTS PROJECTION FOR WATER-SOURCE HEAT PUMPS

Equipment	Units shipped by year and equipment class							
	2016	2020	2025	2030	2035	2040	2045	Cumulative shipments (2016–2045)
WSHP <17000 Btu/h	62,934	68,072	74,495	80,918	87,341	93,764	100,187	2,446,810
WSHP 17000–65000 Btu/h	132,007	142,785	156,258	169,731	183,203	196,676	210,148	5,132,334
WSHP 65000–135000 Btu/h	7,675	8,301	9,085	9,868	10,651	11,435	12,218	7,579,144
Total	202,616	219,159	239,838	260,517	281,195	301,874	322,553	7,877,536

As equipment purchase price and repair costs increase with efficiency, DOE recognizes that higher first costs and repair costs can result in a drop in shipments. However, in the January 2015 NOPR, DOE had no basis for estimating the elasticity of shipments for water-source heat pumps as a function of first costs, repair costs, or operating costs. 80 FR 1171, 1206 (Jan. 8, 2015). In addition, because water-source heat pumps are often installed for their higher efficiency as compared to air-cooled equipment, DOE had tentatively concluded in the January 2015 NOPR that it was unlikely that shipments would change as a result of higher first costs and repair costs. Therefore, DOE presumed that the shipments projection would not change with higher standard levels. DOE sought input on this assumption in the January 2015 NOPR. *Id.* As noted in section V.F.2, in response, Lennox International commented that they with increased costs they expected a drop in shipments

[36] U.S. Census Bureau, Current Industrial Reports for Refrigeration, Air Conditioning, and Warm Air Heating Equipment, MA333M. Note that the current industrial reports were discontinued in 2010, so more recent data are not available (Available at: *http://www.census.gov/manufacturing/cir/historical_data/ma333m/index.html*).

and an increase in repairs. (Lennox International, No. 36 at p. 2–3)

DOE acknowledges Lennox's concerns. However, DOE does not have data available to estimate the price elasticity for this equipment. Given that even without a drop in shipments, none of the efficiency levels in the January 2015 NOPR were determined to be economically justified, DOE has not revised its shipments estimates for this final rule. Chapter 7 of the final rule TSD provides additional details on the shipments forecasts.

3. Base-Case and Standards-Case Forecasted Distribution of Efficiencies

DOE estimated base-case efficiency distributions based on model availability in the AHRI certified directory. In the January 2015 NOPR, DOE also estimated a base-case efficiency trend of an increase of approximately 1 EER every 35 years, based on the trend from 2012 to 2035 found in the Commercial Unitary Air Conditioner Advance Notice of Proposed Rulemaking (ANOPR).[37] 80 FR 1171, 1207 (Jan. 8, 2015). DOE used this same trend in the standards-case scenarios. DOE requested comment on its estimated efficiency trends, but did not receive any. As a result, DOE used the same trend for this final rule.

For each efficiency level analyzed, DOE used a ''roll-up'' scenario to establish the market shares by efficiency level for the first full year that compliance would be required with amended standards (*i.e.*, 2016 for adoption of efficiency levels in ASHRAE Standard 90.1–2013 or 2020 if DOE adopts more-stringent efficiency levels than those in ASHRAE Standard 90.1–2013). Table VI.7 presents the estimated base-case efficiency market shares for each water-source heat pump equipment class.

TABLE VI.7—BASE-CASE EFFICIENCY MARKET SHARES IN 2020 FOR WATER-SOURCE HEAT PUMPS

Water-source (water-to-air, water-loop) heat pumps <17,000 Btu/h		Water-source (water-to-air, water-loop) heat pumps ≥17,000 and <65,000 Btu/h		Water-source (water-to-air, water-loop) heat pumps ≥65,000 and <135,000 Btu/h	
EER	Market share (percent)	EER	Market share (percent)	EER	Market share (percent)
11.2	0.0	12.0	0.0	12.0	0.0
12.2	0.7	13.0	7.6	13.0	0.0
13.0	49.7	14.6	55.1	14.0	29.8
14.0	22.0	16.6	25.0	15.0	48.5
15.7	20.5	18.0	8.9	16.0	20.1
16.5	4.9	19.2	2.5	17.0	1.7
18.1	2.3	21.6	1.0		

Note: The 0% market share at the first listed EER level is accounting for the default adoption of ASHRAE Standard 90.1–2013 levels in 2016.

4. National Energy Savings and Net Present Value

The stock of water-source heat pump equipment is the total number of units in each equipment class purchased or shipped from previous years that have survived until a given point in time. The NES spreadsheet,[38] through use of the shipments model, keeps track of the total number of units shipped each year. For purposes of the NES and NPV analyses, DOE assumes that shipments of water-source heat pump units survive for an average of 19 years, following a Weibull distribution, at the end of which time they are removed from service.

The national annual energy consumption is the product of the annual unit energy consumption and the number of units of each vintage in the stock, summed over all vintages. This approach accounts for differences in unit energy consumption from year to year. In determining national annual energy consumption, DOE estimated energy consumption and savings based on site energy and converted the electricity consumption and savings to primary energy using annual conversion factors derived from the *AEO 2014* version of NEMS. Cumulative energy savings are the sum of the NES for each year over the timeframe of the analysis.

In response to the recommendations of a committee on ''Point-of-Use and Full-Fuel-Cycle Measurement Approaches to Energy Efficiency Standards'' appointed by the National Academy of Sciences, DOE announced its intention to use FFC measures of energy use and greenhouse gas and other emissions in the national impact analyses and emissions analyses included in future energy conservation standards rulemakings. 76 FR 51281 (Aug. 18, 2011). After evaluating the approaches discussed in the August 18, 2011 notice, DOE published a statement of amended policy in the **Federal Register** in which DOE explained its determination that NEMS is the most appropriate tool for its FFC analysis and its intention to use NEMS for that purpose. 77 FR 49701 (Aug. 17, 2012). The approach used for this final rule is described in Appendix 8A of the final rule TSD.

Table VI.8 summarizes the inputs to the NES spreadsheet model along with a brief description of the data sources. The results of DOE's NES and NPV analysis are summarized in section VIII.B.2.b and described in detail in chapter 7 of the final rule TSD.

TABLE VI.8—SUMMARY OF WATER-SOURCE HEAT PUMP NES AND NPV MODEL INPUTS

Inputs	Description
Shipments	Annual shipments based on U.S. Census data. (See chapter 7 of the final rule TSD.)

[37] *See* DOE's technical support document underlying DOE's July 29, 2004 ANOPR. 69 FR 45460 (Available at: *www.regulations.gov/#!documentDetail;D=EERE-2006-STD-0103-0078*).

[38] The NES spreadsheet can be found in the docket for the ASHRAE rulemaking at: *www.regulations.gov/#!docketDetail;D=EERE-2014-BT-STD-0015*.

TABLE VI.8—SUMMARY OF WATER-SOURCE HEAT PUMP NES AND NPV MODEL INPUTS—Continued

Inputs	Description
Compliance Date of Standard	2020 for adoption of a more-stringent efficiency level than those specified by ASHRAE Standard 90.1–2013. 2016 for adoption of the efficiency levels specified by ASHRAE Standard 90.1–2013.
Base-Case Efficiencies	Distribution of base-case shipments by efficiency level, with efficiency trend of an increase of 1 EER every 35 years.
Standards-Case Efficiencies	Distribution of shipments by efficiency level for each standards case. In compliance year, units below the standard level ''roll-up'' to meet the standard. Efficiency trend of an increase of 1 EER every 35 years.
Annual Energy Use per Unit	Annual national weighted-average values are a function of efficiency level. (See chapter 4 of the final rule TSD.)
Total Installed Cost per Unit	Annual weighted-average values are a function of efficiency level. (See chapter 5 of the final rule TSD.)
Annualized Maintenance and Repair Costs per Unit.	Annual weighted-average values are a function of efficiency level. (See chapter 5 of the final rule TSD.)
Escalation of Fuel Prices	*AEO2014* forecasts (to 2040) and extrapolation for beyond 2040. (See chapter 8 of the final rule TSD.)
Site to Primary and FFC Conversion.	Based on *AEO2014* forecasts (to 2040) and extrapolation for beyond 2040. (See chapter 8 of the final rule TSD.)
Discount Rate	3 percent and 7 percent real.
Present Year	Future costs are discounted to 2015.

VII. Methodology for Emissions Analysis and Monetizing Carbon Dioxide and Other Emissions Impacts

A. Emissions Analysis

In the emissions analysis, DOE estimates the reduction in power sector emissions of carbon dioxide (CO_2), nitrogen oxides (NO_X), sulfur dioxide (SO_2), and mercury (Hg) from potential amended energy conservation standards for the ASHRAE equipment that is the subject of this document. In addition, DOE estimates emissions impacts in production activities (extracting, processing, and transporting fuels) that provide the energy inputs to power plants. These are referred to as ''upstream'' emissions. Together, these emissions account for the full-fuel cycle (FFC). In accordance with DOE's FFC Statement of Policy (76 FR 51281 (Aug. 18, 2011) as amended at 77 FR 49701 (August 17, 2012)), the FFC analysis also includes impacts on emissions of methane (CH_4) and nitrous oxide (N_2O), both of which are recognized as greenhouse gases. The combustion emissions factors and the method DOE used to derive upstream emissions factors are described in chapter 9 of the final rule TSD. The cumulative emissions reduction estimated for the subject ASHRAE equipment is presented in section VIII.C.

DOE primarily conducted the emissions analysis using emissions factors for CO_2 and most of the other gases derived from data in *AEO 2014.* Combustion emissions of CH_4 and N_2O were estimated using emissions intensity factors published by the U.S. Environmental Protection Agency (EPA) in its Greenhouse Gas (GHG) Emissions Factors Hub.[39] DOE developed separate emissions factors for power sector emissions and upstream emissions. The method that DOE used to derive emissions factors is described in chapter 9 of the final rule TSD.

EIA prepares the *AEO* using NEMS. Each annual version of NEMS incorporates the projected impacts of existing air quality regulations on emissions. *AEO 2014* generally represents current legislation and environmental regulations, including recent government actions, for which implementing regulations were available as of October 31, 2013.

SO_2 emissions from affected electric generating units (EGUs) are subject to nationwide and regional emissions cap-and-trade programs. Title IV of the Clean Air Act sets an annual emissions cap on SO_2 for affected EGUs in the 48 contiguous States and the District of Columbia (DC). (42 U.S.C. 7651 *et seq.*) SO_2 emissions from 28 eastern States and DC were also limited under the Clean Air Interstate Rule (CAIR). 70 FR 25162 (May 12, 2005). CAIR, which created an allowance-based trading program that operates along with the Title IV program, was remanded to the EPA by the U.S. Court of Appeals for the District of Columbia Circuit, but it remained in effect.[40] In 2011, EPA issued a replacement for CAIR, the Cross-State Air Pollution Rule (CSAPR). 76 FR 48208 (Aug. 8, 2011). On August 21, 2012, the D.C. Circuit issued a decision to vacate CSAPR.[41] The court ordered EPA to continue administering CAIR. The emissions factors used for this final rule, which are based on *AEO 2014,* assume that CAIR remains a binding regulation through 2040.[42]

The attainment of emissions caps is typically flexible among EGUs and is enforced through the use of emissions allowances and tradable permits. Beginning in 2016, however, SO_2 emissions will decline significantly as a result of the Mercury and Air Toxics Standards (MATS) for power plants. 77 FR 9304 (Feb. 16, 2012). In the final MATS rule, EPA established a standard for hydrogen chloride as a surrogate for acid gas hazardous air pollutants (HAP), and also established a standard for SO_2 (a non-HAP acid gas) as an alternative equivalent surrogate standard for acid gas HAP. The same controls are used to reduce HAP and non-HAP acid gas; thus, SO_2 emissions will be reduced as a result of the control technologies installed on coal-fired power plants to comply with the MATS requirements for acid gas. *AEO 2014* assumes that, in order to continue operating, coal plants must have either flue gas

[39] See *http://www.epa.gov/climateleadership/inventory/ghg-emissions.html.*

[40] See *North Carolina* v. *EPA*, 550 F.3d 1176 (D.C. Cir. 2008); *North Carolina* v. *EPA*, 531 F.3d 896 (D.C. Cir. 2008).

[41] See *EME Homer City Generation, LP* v. *EPA*, 696 F.3d 7, 38 (D.C. Cir. 2012), *cert. granted*, 81 U.S.L.W. 3567, 81 U.S.L.W. 3696, 81 U.S.L.W. 3702 (U.S. June 24, 2013) (No. 12–1182).

[42] On April 29, 2014, the U.S. Supreme Court reversed the judgment of the D.C. Circuit and remanded the case for further proceedings consistent with the Supreme Court's opinion. The Supreme Court held in part that EPA's methodology for quantifying emissions that must be eliminated in certain states due to their impacts in other downwind states was based on a permissible, workable, and equitable interpretation of the Clean Air Act provision that provides statutory authority for CSAPR. See *EPA* v. *EME Homer City Generation*, No 12–1182, slip op. at 32 (U.S. April 29, 2014). On October 23, 2014, the D.C. Circuit lifted the stay of CSAPR. Pursuant to this action, CSAPR will go into effect (and the Clean Air Interstate Rule will sunset) as of January 1, 2015. However, because DOE used emissions factors based on *AEO 2014* for this final rule, the analysis assumes that CAIR, not CSAPR, is the regulation in force. The difference between CAIR and CSAPR is not relevant for the purpose of DOE's analysis of SO_2 emissions.

desulfurization or dry sorbent injection systems installed by 2016. Both technologies are used to reduce acid gas emissions, and also reduce SO_2 emissions. Under the MATS, emissions will be far below the cap established by CAIR, so it is unlikely that excess SO_2 emissions allowances resulting from the lower electricity demand would be needed or used to permit offsetting increases in SO_2 emissions by any regulated EGU. Therefore, DOE believes that energy efficiency standards will reduce SO_2 emissions in 2016 and beyond.

CAIR established a cap on NO_X emissions in 28 eastern States and the District of Columbia.[43] Energy conservation standards are expected to have little effect on NO_X emissions in those States covered by CAIR, because excess NO_X emissions allowances resulting from the lower electricity demand could be used to permit offsetting increases in NO_X emissions. However, standards would be expected to reduce NO_X emissions in the States not affected by the caps, so DOE estimated NO_X emissions reductions from the standards considered in this final rule for these States.

The MATS limit mercury emissions from power plants, but they do not include emissions caps. DOE estimated mercury emissions using emissions factors based on *AEO 2014*, which incorporates the MATS.

B. Monetizing Carbon Dioxide and Other Emissions Impacts

As part of the development of this final rule, DOE considered the estimated monetary benefits from the reduced emissions of CO_2 and NO_X that are expected to result from each of the efficiency levels considered. In order to make this calculation analogous to the calculation of the NPV of consumer benefit, DOE considered the reduced emissions expected to result over the lifetime of equipment shipped in the forecast period for each efficiency level. This section summarizes the basis for the monetary values used for each of these emissions and presents the values considered in this final rule.

For this final rule, DOE relied on a set of values for the social cost of carbon (SCC) that was developed by a Federal interagency process. The basis for these values is summarized in the next section, and a more detailed description of the methodologies used is provided as an appendix to chapter 10 of the final rule TSD.

1. Social Cost of Carbon

The SCC is an estimate of the monetized damages associated with an incremental increase in carbon emissions in a given year. It is intended to include (but is not limited to) changes in net agricultural productivity, human health, property damages from increased flood risk, and the value of ecosystem services. Estimates of the SCC are provided in dollars per metric ton of CO_2. A domestic SCC value is meant to reflect the value of damages in the United States resulting from a unit change in CO_2 emissions, while a global SCC value is meant to reflect the value of damages worldwide.

Under section 1(b) of Executive Order 12866, ''Regulatory Planning and Review,'' 58 FR 51735 (Oct. 4, 1993), agencies must, to the extent permitted by law, ''assess both the costs and the benefits of the intended regulation and, recognizing that some costs and benefits are difficult to quantify, propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs.'' The purpose of the SCC estimates presented here is to allow agencies to incorporate the monetized social benefits of reducing CO_2 emissions into cost-benefit analyses of regulatory actions. The estimates are presented with an acknowledgement of the many uncertainties involved and with a clear understanding that they should be updated over time to reflect increasing knowledge of the science and economics of climate impacts.

As part of the interagency process that developed these SCC estimates, technical experts from numerous agencies met on a regular basis to consider public comments, explore the technical literature in relevant fields, and discuss key model inputs and assumptions. The main objective of this process was to develop a range of SCC values using a defensible set of input assumptions grounded in the existing scientific and economic literatures. In this way, key uncertainties and model differences transparently and consistently inform the range of SCC estimates used in the rulemaking process.

a. Monetizing Carbon Dioxide Emissions

When attempting to assess the incremental economic impacts of CO_2 emissions, the analyst faces a number of challenges. A report from the National Research Council[44] points out that any assessment will suffer from uncertainty, speculation, and lack of information about: (1) future emissions of GHGs; (2) the effects of past and future emissions on the climate system; (3) the impact of changes in climate on the physical and biological environment; and (4) the translation of these environmental impacts into economic damages. As a result, any effort to quantify and monetize the harms associated with climate change will raise questions of science, economics, and ethics and should be viewed as provisional.

Despite the limits of both quantification and monetization, SCC estimates can be useful in estimating the social benefits of reducing CO_2 emissions. The agency can estimate the benefits from reduced (or costs from increased) emissions in any future year by multiplying the change in emissions in that year by the SCC values appropriate for that year. The NPV of the benefits can then be calculated by multiplying each of these future benefits by an appropriate discount factor and summing across all affected years.

It is important to emphasize that the interagency process is committed to updating these estimates as the science and economic understanding of climate change and its impacts on society improves over time. In the meantime, the interagency group will continue to explore the issues raised by this analysis and consider public comments as part of the ongoing interagency process.

b. Development of Social Cost of Carbon Values

In 2009, an interagency process was initiated to offer a preliminary assessment of how best to quantify the benefits from reducing carbon dioxide emissions. To ensure consistency in how benefits are evaluated across Federal agencies, the Administration sought to develop a transparent and defensible method, specifically designed for the rulemaking process, to quantify avoided climate change damages from reduced CO_2 emissions. The interagency group did not undertake any original analysis. Instead, it combined SCC estimates from the existing literature to use as interim values until a more comprehensive analysis could be conducted. The outcome of the preliminary assessment by the interagency group was a set of five interim values: Global SCC estimates for 2007 (in 2006$) of $55,

[43] CSAPR also applies to NO_X, and it would supersede the regulation of NO_X under CAIR. As stated previously, the current analysis assumes that CAIR, not CSAPR, is the regulation in force. The difference between CAIR and CSAPR with regard to DOE's analysis of NO_X is slight.

[44] National Research Council, *Hidden Costs of Energy: Unpriced Consequences of Energy Production and Use,* National Academies Press: Washington, DC (2009).

$33, $19, $10, and $5 per metric ton of CO_2. These interim values represented the first sustained interagency effort within the U.S. government to develop an SCC for use in regulatory analysis. The results of this preliminary effort were presented in several proposed and final rules.

c. Current Approach and Key Assumptions

After the release of the interim values, the interagency group reconvened on a regular basis to generate improved SCC estimates. Specifically, the group considered public comments and further explored the technical literature in relevant fields. The interagency group relied on three integrated assessment models commonly used to estimate the SCC: The FUND, DICE, and PAGE models. These models are frequently cited in the peer-reviewed literature and were used in the last assessment of the Intergovernmental Panel on Climate Change (IPCC). Each model was given equal weight in the SCC values that were developed.

Each model takes a slightly different approach to model how changes in emissions result in changes in economic damages. A key objective of the interagency process was to enable a consistent exploration of the three models, while respecting the different approaches to quantifying damages taken by the key modelers in the field. An extensive review of the literature was conducted to select three sets of input parameters for these models: Climate sensitivity, socio-economic and emissions trajectories, and discount rates. A probability distribution for climate sensitivity was specified as an input into all three models. In addition, the interagency group used a range of scenarios for the socio-economic parameters and a range of values for the discount rate. All other model features were left unchanged, relying on the model developers' best estimates and judgments.

In 2010, the interagency group selected four sets of SCC values for use in regulatory analyses. Three sets of values are based on the average SCC from the three integrated assessment models, at discount rates of 2.5, 3, and 5 percent. The fourth set, which represents the 95th percentile SCC estimate across all three models at a 3-percent discount rate, was included to represent higher-than-expected impacts from climate change further out in the tails of the SCC distribution. The values grow in real terms over time. Additionally, the interagency group determined that a range of values from 7 percent to 23 percent should be used to adjust the global SCC to calculate domestic effects,[45] although preference is given to consideration of the global benefits of reducing CO_2 emissions. Table VII.1 presents the values in the 2010 interagency group report,[46] which is reproduced in appendix 10A of the final rule TSD.

TABLE VII.1—ANNUAL SCC VALUES FROM 2010 INTERAGENCY REPORT, 2010–2050

[2007$ per metric ton CO_2]

Year	Discount rate			
	5%	3%	2.5%	3%
	Average	Average	Average	95th percentile
2010	4.7	21.4	35.1	64.9
2015	5.7	23.8	38.4	72.8
2020	6.8	26.3	41.7	80.7
2025	8.2	29.6	45.9	90.4
2030	9.7	32.8	50.0	100.0
2035	11.2	36.0	54.2	109.7
2040	12.7	39.2	58.4	119.3
2045	14.2	42.1	61.7	127.8
2050	15.7	44.9	65.0	136.2

The SCC values used for this document were generated using the most recent versions of the three integrated assessment models that have been published in the peer-reviewed literature.[47]

Table VII.2 shows the updated sets of SCC estimates from the 2013 interagency update in 5-year increments from 2010 to 2050. The full set of annual SCC estimates between 2010 and 2050 is reported in appendix 10B of the final rule TSD. The central value that emerges is the average SCC across models at the 3-percent discount rate. However, for purposes of capturing the uncertainties involved in regulatory impact analysis, the interagency group emphasizes the importance of including all four sets of SCC values.

[45] It is recognized that this calculation for domestic values is approximate, provisional, and highly speculative. There is no *a priori* reason why domestic benefits should be a constant fraction of net global damages over time.

[46] *Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866,* Interagency Working Group on Social Cost of Carbon, United States Government (February 2010) (Available at: *www.whitehouse.gov/sites/default/files/omb/inforeg/for-agencies/Social-Cost-of-Carbon-for-RIA.pdf*).

[47] *Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866,* Interagency Working Group on Social Cost of Carbon, United States Government (May 2013; revised November 2013) (Available at: *http://www.whitehouse.gov/sites/default/files/omb/assets/inforeg/technical-update-social-cost-of-carbon-for-regulator-impact-analysis.pdf*).

TABLE VII.2—ANNUAL SCC VALUES FROM 2013 INTERAGENCY REPORT, 2010–2050

[2007$ per metric ton CO_2]

Year	Discount rate			
	5%	3%	2.5%	3%
	Average	Average	Average	95th percentile
2010	11	32	51	89
2015	11	37	57	109
2020	12	43	64	128
2025	14	47	69	143
2030	16	52	75	159
2035	19	56	80	175
2040	21	61	86	191
2045	24	66	92	206
2050	26	71	97	220

It is important to recognize that a number of key uncertainties remain, and that current SCC estimates should be treated as provisional and revisable because they will evolve with improved scientific and economic understanding. The interagency group also recognizes that the existing models are imperfect and incomplete. The 2009 National Research Council report mentioned previously points out that there is tension between the goal of producing quantified estimates of the economic damages from an incremental ton of carbon and the limits of existing efforts to model these effects. There are a number of analytical challenges that are being addressed by the research community, including research programs housed in many of the Federal agencies participating in the interagency process to estimate the SCC. The interagency group intends to periodically review and reconsider those estimates to reflect increasing knowledge of the science and economics of climate impacts, as well as improvements in modeling.

In summary, in considering the potential global benefits resulting from reduced CO_2 emissions, DOE used the values from the 2013 interagency report adjusted to 2014$ using the implicit price deflator for gross domestic product (GDP) from the Bureau of Economic Analysis. For each of the four sets of SCC cases specified, the values for emissions in 2015 were $12.2, $41.2, $63.4, and $121 per metric ton avoided (values expressed in 2014$). DOE derived values after 2050 using the relevant growth rates for the 2040–2050 period in the interagency update.

DOE multiplied the CO_2 emissions reduction estimated for each year by the SCC value for that year in each of the four cases. To calculate a present value of the stream of monetary values, DOE discounted the values in each of the four cases using the specific discount rate that was used to obtain the SCC values in each case.

In response to the NOPR, the Associations stated that DOE should not use SCC values to establish monetary figures for emissions reductions until the SCC undergoes a more rigorous notice, review, and comment process. (The Associations, No. 37 at p. 4) In conducting the interagency process that developed the SCC values, technical experts from numerous agencies met on a regular basis to consider public comments, explore the technical literature in relevant fields, and discuss key model inputs and assumptions. Key uncertainties and model differences transparently and consistently inform the range of SCC estimates. These uncertainties and model differences are discussed in the interagency working group's reports, which are reproduced in appendix 10A and 10B of the final rule TSD, as are the major assumptions. The 2010 SCC values have been used in a number of Federal rulemakings in which the public had opportunity to comment. In November 2013, the OMB announced a new opportunity for public comment on the TSD underlying the revised SCC estimates. See 78 FR 70586 (Nov. 26, 2013). OMB is currently reviewing comments and considering whether further revisions to the 2013 SCC estimates are warranted. DOE stands ready to work with OMB and the other members of the interagency working group on further review and revision of the SCC estimates as appropriate.

2. Valuation of Other Emissions Reductions

As noted previously, DOE has taken into account how considered energy conservation standards would reduce site NO_X emissions nationwide and increase power sector NO_X emissions in those 22 States not affected by the CAIR. DOE estimated the monetized value of net NO_X emissions reductions resulting from each of the efficiency levels considered for this final rule based on estimates found in the relevant scientific literature. Estimates of monetary value for reducing NO_X from stationary sources range from $484 to $4,971 per ton in 2014$.[48] DOE calculated monetary benefits using a medium value for NO_X emissions of $2,727 per short ton (in 2014$) and real discount rates of 3 percent and 7 percent.

DOE is evaluating appropriate monetization of avoided SO_2 and Hg emissions in energy conservation standards rulemakings. DOE has not included monetization of those emissions in the current analysis.

VIII. Analytical Results and Conclusions

A. Efficiency Levels Analyzed

1. Small Commercial Air-Cooled Air Conditioners and Heat Pumps Less Than 65,000 Btu/h

The methodology for small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h was presented in section V of this this final rule. Table VIII.1 presents the market baseline efficiency level and the higher efficiency levels analyzed for each equipment class of small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h subject to this rule. The EPCA baseline efficiency levels correspond to the lowest efficiency levels currently available on the market. The efficiency levels above the baseline represent efficiency levels specified by ASHRAE

[48] U.S. Office of Management and Budget, Office of Information and Regulatory Affairs, *2006 Report to Congress on the Costs and Benefits of Federal Regulations and Unfunded Mandates on State, Local, and Tribal Entities* (2006) (Available at: *www.whitehouse.gov/sites/default/files/omb/assets/omb/inforeg/2006_cb/2006_cb_final_report.pdf*).

Standard 90.1–2013 and efficiency levels more stringent than those specified in ASHRAE Standard 90.1–2013 where equipment is currently available on the market. Note that for the energy savings and economic analysis, efficiency levels above those specified in ASHRAE Standard 90.1–2013 are compared to ASHRAE Standard 90.1–2013 as the baseline rather than the EPCA baseline (*i.e.,* the current Federal standards). For split-system air conditioners, for which ASHRAE 90.1–2013 did not change the efficiency level, all efficiency levels are compared to the Federal or EPCA baseline.

TABLE VIII.1—EFFICIENCY LEVELS ANALYZED FOR SMALL COMMERCIAL AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H

	Small three-phase air-cooled split-system air conditioners <65,000 Btu/h	Small three-phase air-cooled single-package air conditioners <65,000 Btu/h	Small three-phase air-cooled split-system heat pumps <65,000 Btu/h	Small three-phase air-cooled single-package heat pumps <65,000 Btu/h
Efficiency Level (SEER/HSPF)				
Baseline—Federal Standard	13	13	13/7.7	13/7.7
ASHRAE Level (0)	* 14	14	14/8.2	14/8.0
Efficiency Level 1	15	15	15/8.5	15/8.4
Efficiency Level 2	16	16	16/8.7	16/8.8
Efficiency Level 3	17	17	17/9.0	17/8.9
Efficiency Level 4 **	18	18	18.0/9.2	18.0/9.1
Efficiency Level 5 ***	19	19	.....	.....

* For split system air conditioners, the ASHRAE level is 13.0 SEER. DOE analyzed the 14.0 SEER level as a level more stringent than ASHRAE, but designated it as efficiency level 0 for consistency in SEER level across equipment classes.
** Efficiency Level 4 is ''Max-Tech'' for HP equipment classes.
*** Efficiency Level 5 is ''Max-Tech'' for AC equipment classes.

2. Water-Source Heat Pumps

The methodology for water-source heat pumps was presented in section VI of this final rule. Table VIII.2 presents the baseline efficiency level and the more-stringent efficiency levels analyzed for each equipment class of water-source heat pumps subject to this rule. The baseline efficiency levels correspond to the lowest efficiency levels currently available on the market. The efficiency levels above the baseline represent efficiency levels specified in ASHRAE Standard 90.1–2013 and more-stringent efficiency levels where equipment is currently available on the market.

TABLE VIII.2—EFFICIENCY LEVELS ANALYZED FOR WATER-SOURCE HEAT PUMPS

	Water-source (water-to-air, water-loop) heat pumps <17,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥17,000 and <65,000 Btu/h	Water-source (water-to-air, water-loop) heat pumps ≥65,000 and <135,000 Btu/h
Efficiency Level (EER/COP)			
Baseline—Federal Standard	11.2/4.2	12.0/4.2	12.0/4.2
ASHRAE Level (0)	12.2/4.3	13.0/4.3	13.0/4.3
Efficiency Level 1	13.0/4.6	14.6/4.8	14.0/4.7
Efficiency Level 2	14.0/4.8	16.6/5.3	15.0/4.8
Efficiency Level 3	15.7/5.1	18.0/5.6	16.0/5.0
Efficiency Level 4 *	16.5/5.3	19.2/5.9	17.2/5.1
Efficiency Level 5 **	18.1/5.6	21.6/6.5	.....

* Efficiency Level 4 is ''Max-Tech'' for the largest equipment class.
** Efficiency Level 5 is ''Max-Tech'' for the two smaller equipment classes.

3. Commercial Oil-Fired Storage Water Heaters

Table VIII.3 presents the baseline efficiency level and the more-stringent efficiency levels analyzed for the class of oil-fired storage water heaters subject to this rule. The baseline efficiency levels correspond to the lowest efficiency levels currently available on the market. The efficiency levels above the baseline represent efficiency levels specified in ASHRAE Standard 90.1–2013 and more-stringent efficiency levels where equipment is currently available on the market.

TABLE VIII.3—EFFICIENCY LEVELS ANALYZED FOR COMMERCIAL OIL-FIRED STORAGE WATER-HEATING EQUIPMENT

	Oil-fired storage water-heating equipment (>105,000 Btu/h and <4,000 Btu/h/gal) (%)
Efficiency Level (E_t)	
Baseline—Federal Standard	78

TABLE VIII.3—EFFICIENCY LEVELS ANALYZED FOR COMMERCIAL OIL-FIRED STORAGE WATER-HEATING EQUIPMENT—Continued

	Oil-fired storage water-heating equipment (>105,000 Btu/h and <4,000 Btu/h/gal) (%)
ASHRAE Level (0)	80
Efficiency Level 1	81
Efficiency Level 2—"Max-Tech" –	82

B. Energy Savings and Economic Justification

1. Small Commercial Air-Cooled Air Conditioners and Heat Pumps Less Than 65,000 Btu/h

a. Economic Impacts on Commercial Customers

1. Life-Cycle Cost and Payback Period

To evaluate the net economic impact of potential amended energy conservation standards on commercial consumers of small commercial air-cooled air conditioners and heat pumps, DOE conducted LCC and PBP analyses for each efficiency level. In general, higher-efficiency equipment would affect commercial consumers in two ways: (1) Purchase price would increase, and (2) annual operating costs would decrease. Inputs used for calculating the LCC and PBP include total installed costs (*i.e.,* equipment price plus installation costs), and operating costs (*i.e.,* annual energy usage, energy prices, energy price trends, repair costs, and maintenance costs). The LCC calculation also uses equipment lifetime and a discount rate.

The output of the LCC model is a mean LCC savings (or cost [49]) for each equipment class, relative to the baseline small commercial air-cooled air conditioner and heat pump efficiency level. The LCC analysis also provides information on the percentage of commercial consumers that are negatively affected by an increase in the minimum efficiency standard.

DOE also performed a PBP analysis as part of the LCC analysis. The PBP is the number of years it would take for the commercial consumer to recover the increased costs of higher-efficiency equipment as a result of energy savings based on the operating cost savings. The PBP is an economic benefit-cost measure that uses benefits and costs without discounting. Chapter 6 of the final rule TSD provides detailed information on the LCC and PBP analyses.

DOE's LCC and PBP analyses provided five key outputs for each efficiency level above the baseline (*i.e.,* efficiency levels above the current Federal standard for split-system air conditioners or efficiency levels more stringent than those in ASHRAE Standard 90.1–2013 for the three triggered equipment classes), as reported in Table VIII.4 through Table VIII.11 below. These outputs include the proportion of small commercial air-cooled air conditioner and heat pump purchases in which the purchase of such a unit that is compliant with the amended energy conservation standard creates a net LCC increase, no impact, or a net LCC savings for the commercial consumer. Another output is the average net LCC savings from standard-compliant equipment, as well as the average PBP for the consumer investment in standard-compliant equipment.

Chapter 6 of the final rule TSD provides detailed information on the LCC and PBP analyses.

Table VIII.4 through Table VIII.11 show the LCC and PBP results for all efficiency levels considered for each class of small commercial air-cooled air conditioner and heat pump in this final rule. In the first of each pair of tables, the simple payback is measured relative to the baseline equipment (*i.e.,* equipment at the current Federal standards for split-system air conditioners or equipment with the efficiency levels required in ASHRAE Standard 90.1–2013 for the three triggered equipment classes). In the second tables, the LCC savings are measured relative to the base-case efficiency distribution in the compliance year (*i.e.,* the range of equipment expected to be on the market in the absence of amended standards for split-system air conditioners or the default case where DOE adopts the efficiency levels in ASHRAE Standard 90.1–2013 for the three triggered equipment classes).

TABLE VIII.4—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM AIR CONDITIONERS <65,000 Btu/h

Efficiency level	Average costs *2014$*				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
Baseline	$3,901	$776	$7,532	$11,433	N/A	19
0	4,150	773	7,497	11,647	68	19
1	4,401	766	7,433	11,834	49	19
2	4,670	760	7,373	12,043	47	19
3	4,927	763	7,409	12,335	80	19
4	5,194	768	7,449	12,643	148	19
5	5,474	774	7,507	12,981	560	19

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

[49] An LCC cost is shown as a negative savings in the results presented.

TABLE VIII.5—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM AIR CONDITIONERS <65,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	*2014$*
0	26	($56)
1	75	(198)
2	97	(402)
3	100	(695)
4	100	(1,002)
5	100	(1,341)

*The calculation includes households with zero LCC savings (no impact).

TABLE VIII.6—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE AIR CONDITIONERS <65,000 BTU/H

Efficiency level	Average costs *2014$*				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$4,781	$772	$7,516	$12,297	N/A	19
1	5,090	758	7,381	12,471	22	19
2	5,400	753	7,329	12,729	32	19
3	5,702	757	7,368	13,070	61	19
4	6,007	761	7,407	13,414	110	19
5	6,375	766	7,457	13,833	270	19

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.7—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE AIR CONDITIONERS <65,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	*2014$*
1	49	($89)
2	81	(299)
3	89	(602)
4	93	(922)
5	100	(1,340)

*The calculation includes households with zero LCC savings (no impact).

TABLE VIII.8—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM HEAT PUMPS <65,000 BTU/H

Efficiency level	Average costs *2014$*				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$4,513	$796	$7,070	$11,584	N/A	16
1	4,774	783	6,957	11,731	20	16
2	5,118	777	6,906	12,024	33	16
3	5,401	778	6,911	12,312	49	16
4	5,694	778	6,918	12,612	69	16

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.9—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM HEAT PUMPS <65,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	*2014$*
1	75	($118)
2	99	(410)
3	100	(697)
4	100	(997)

*The calculation includes households with zero LCC savings (no impact).

TABLE VIII.10—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE HEAT PUMPS <65,000 BTU/H

Efficiency level	Average costs *2014$*				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$5,155	$797	$7,084	$12,239	N/A	16
1	5,499	784	6,969	12,468	27	16
2	5,830	777	6,909	12,739	34	16
3	6,161	778	6,916	13,077	53	16
4	6,550	779	6,923	13,473	77	16

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.11—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE HEAT PUMPS <65,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	*2014$*
1	68	($158)
2	90	(402)
3	99	(735)
4	99	(1,128)

*The calculation includes households with zero LCC savings (no impact).

b. National Impact Analysis

1. Amount and Significance of Energy Savings

To estimate the lifetime energy savings for equipment shipped through 2046 (or 2048) due to amended energy conservation standards, DOE compared the energy consumption of small commercial air-cooled air conditioners and heat pumps less than 65,000 Btu/h under the ASHRAE Standard 90.1–2013 efficiency levels (or current Federal levels for split-system air conditioners) to energy consumption of the same small commercial air-cooled air conditioners and heat pumps under more-stringent efficiency standards. For the three equipment classes triggered by ASHRAE, DOE also compared the energy consumption of those small commercial air-cooled air conditioners and heat pumps under the ASHRAE Standard 90.1–2013 efficiency levels to energy consumption of small commercial air-cooled air conditioners and heat pumps under the current EPCA base case (*i.e.,* under current Federal standards). DOE examined up to five efficiency levels higher than those of ASHRAE Standard 90.1–2013. Table VIII.12 through Table VIII.15 show the projected national energy savings at each of the considered standard levels. (See chapter 8 of the final rule TSD.)

TABLE VIII.12—POTENTIAL ENERGY SAVINGS FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM AIR CONDITIONERS <65,000 BTU/H

Efficiency level	Primary energy savings estimate (quads)	FFC Energy savings estimate (quads)
Level 0–14 SEER	0.02	0.02
Level 1–15 SEER	0.08	0.08
Level 2–16 SEER	0.13	0.14
Level 3–17 SEER	0.16	0.17
Level 4–18 SEER	0.18	0.19
Level 5–"Max-Tech"–19 SEER	0.19	0.20

TABLE VIII.13—POTENTIAL ENERGY SAVINGS FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE AIR CONDITIONERS <65,000 BTU/H

Efficiency level	Primary energy savings estimate* (quads)	FFC Energy savings estimate* (quads)
Level 0–ASHRAE–14 SEER	0.04	0.04
Level 1–15 SEER	0.05	0.06
Level 2–16 SEER	0.11	0.12
Level 3–17 SEER	0.15	0.15
Level 4–18 SEER	0.18	0.18
Level 5–"Max-Tech"–19 SEER	0.19	0.20

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

TABLE VIII.14—POTENTIAL ENERGY SAVINGS FOR SMALL THREE-PHASE AIR-COOLED SPLIT-SYSTEM HEAT PUMPS <65,000 BTU/H

Efficiency level	Primary energy savings estimate* (quads)	FFC Energy savings estimate* (quads)
Level 0–ASHRAE–14 SEER	0.01	0.01
Level 1–15 SEER	0.01	0.01
Level 2–16 SEER	0.02	0.02
Level 3–17 SEER	0.03	0.03
Level 4–"Max-Tech"–18 SEER	0.03	0.03

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

TABLE VIII.15—POTENTIAL ENERGY SAVINGS FOR SMALL THREE-PHASE AIR-COOLED SINGLE-PACKAGE HEAT PUMPS <65,000 BTU/H

Efficiency level	Primary energy savings estimate* (quads)	FFC Energy savings estimate* (quads)
Level 0–ASHRAE–14 SEER	0.01	0.01
Level 1–15 SEER	0.01	0.01
Level 2–16 SEER	0.02	0.02
Level 3–17 SEER	0.03	0.03
Level 4–"Max-Tech"–18 SEER	0.04	0.04

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

2. Net Present Value of Customer Costs and Benefits

The NPV analysis is a measure of the cumulative commercial consumer benefit or cost of standards to the Nation. In accordance with OMB's guidelines on regulatory analysis (OMB Circular A–4, section E (Sept. 17, 2003)), DOE calculated NPV using both a 7-percent and a 3-percent real discount rate. Table VIII.16 and Table VIII.17 provide an overview of the NPV results. (See chapter 8 of the final rule TSD for further detail.)

TABLE VIII.16—SUMMARY OF CUMULATIVE NET PRESENT VALUE FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H

(Discounted at Seven Percent)

Equipment class	Efficiency level 0	Efficiency level 1	Efficiency level 2	Efficiency level 3	Efficiency level 4	Efficiency level 5
Net Present Value (Billion 2014$)						
Three-Phase Air-Cooled Split-System Air Conditioners <65,000 Btu/h	(0.05)	(0.18)	(0.38)	(0.66)	(0.95)	(1.17)
Three-Phase Air-Cooled Single-Package Air Conditioners <65,000 Btu/h	N/A*	(0.14)	(0.43)	(0.82)	(1.25)	(1.63)
Three-Phase Air-Cooled Split-System Heat Pumps <65,000 Btu/h	N/A*	(0.03)	(0.09)	(0.15)	(0.19)	N/A**

TABLE VIII.16—SUMMARY OF CUMULATIVE NET PRESENT VALUE FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H—Continued

(Discounted at Seven Percent)

Equipment class	Efficiency level 0	Efficiency level 1	Efficiency level 2	Efficiency level 3	Efficiency level 4	Efficiency level 5
Three-Phase Air-Cooled Single-Package Heat Pumps <65,000 Btu/h	N/A*	(0.04)	(0.11)	(0.20)	(0.28)	N/A**

Notes: Numbers in parentheses indicate negative NPV.
The net present value for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.
* Economic analysis was not conducted for the ASHRAE levels (EL 0).
** The max-tech level for this equipment class is EL 4.

TABLE VIII.17—SUMMARY OF CUMULATIVE NET PRESENT VALUE FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H (DISCOUNTED AT THREE PERCENT)

Equipment class	Efficiency level 0	Efficiency level 1	Efficiency level 2	Efficiency level 3	Efficiency level 4	Efficiency level 5
Net Present Value (Billion 2014$)						
Three-Phase Air-Cooled Split-System Air Conditioners <65,000 Btu/h	(0.07)	(0.27)	(0.64)	(1.15)	(1.71)	(2.09)
Three-Phase Air-Cooled Single-Package Air Conditioners <65,000 Btu/h	N/A*	(0.21)	(0.74)	(1.47)	(2.30)	(2.96)
Three-Phase Air-Cooled Split-System Heat Pumps <65,000 Btu/h	N/A*	(0.05)	(0.15)	(0.26)	(0.33)	N/A**
Three-Phase Air-Cooled Single-Package Heat Pumps <65,000 Btu/h	N/A*	(0.07)	(0.19)	(0.35)	(0.48)	N/A**

Notes: Numbers in parentheses indicate negative NPV. The net present value for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.
* Economic analysis was not conducted for the ASHRAE levels (EL 0).
** The max-tech level for this equipment class is EL 4.

2. Water-Source Heat Pumps

a. Economic Impacts on Commercial Customers

1. Life-Cycle Cost and Payback Period

Table VIII.18 through Table VIII.23 show the LCC and PBP results for all efficiency levels considered for each class of water-source heat pump in this final rule. In the first of each pair of tables, the simple payback is measured relative to the baseline equipment (*i.e.,* equipment with the efficiency level specified in ASHRAE Standard 90.1–2013). In the second tables, the LCC savings are measured relative to the base-case efficiency distribution in the compliance year (*i.e.,* the range of equipment expected to be on the market in the default case where DOE adopts the efficiency levels in ASHRAE Standard 90.1–2013).

TABLE VIII.18—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR WATER-SOURCE HEAT PUMPS (WATER-TO-AIR, WATER-LOOP) <17,000 BTU/H

Efficiency level	Average costs *2014$*				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$3,216	$654	$7,692	$10,908	—	19
1	3,354	645	7,578	10,932	14	19
2	3,530	638	7,492	11,022	19	19
3	3,822	628	7,377	11,199	23	19
4	3,958	624	7,334	11,292	25	19
5	4,233	618	7,263	11,496	28	19

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.19—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS <17,000 BTU//H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	2014$
1	0	($0)
2	46	(46)
3	68	(175)
4	89	(262)
5	95	(462)

TABLE VIII.19—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS <17,000 BTU//H—Continued

*The calculation includes households with zero LCC savings (no impact).

TABLE VIII.20—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥17,000 BTU/H AND <65,000 BTU/H

Efficiency level	Average costs 2014$				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$4,882	$1,118	$13,169	$18,052	—	19
1	5,162	1,075	12,655	17,817	6.4	19
2	5,513	1,039	12,232	17,745	8.0	19
3	5,758	1,023	12,041	17,799	9.2	19
4	5,968	1,013	11,930	17,898	10	19
5	6,392	997	11,732	18,124	12	19

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.21—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥17,000 BTU/H AND <65,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings*
	Net cost	2014$
1	2	19
2	29	64
3	52	17
4	66	(78)
5	76	(303)

TABLE VIII.21—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥17,000 BTU/H AND <65,000 BTU/H—Continued

*The calculation includes households with zero LCC savings (no impact).

TABLE VIII.22—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥65,000 BTU/H AND <135,000 BTU/H

Efficiency level	Average costs 2014$				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
ASHRAE Baseline	$12,005	$2,202	$25,958	$37,963	—	19
1	12,961	2,126	25,065	38,026	13	19
2	13,919	2,087	24,599	38,518	17	19
3	14,830	2,054	24,213	39,042	19	19

TABLE VIII.22—AVERAGE LCC AND PBP RESULTS BY EFFICIENCY LEVEL FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥65,000 BTU/H AND <135,000 BTU/H—Continued

Efficiency level	Average costs 2014$				Simple payback *years*	Average lifetime *years*
	Installed cost	First year's operating cost	Lifetime operating cost	LCC		
4	15,977	2,022	23,834	39,811	22	19

Note: The results for each efficiency level are calculated assuming that all commercial consumers use equipment with that efficiency level. The PBP is measured relative to the baseline equipment.

TABLE VIII.23—LCC SAVINGS RELATIVE TO THE BASE-CASE EFFICIENCY DISTRIBUTION FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥65,000 BTU/H AND <135,000 BTU/H

Efficiency level	Life-cycle cost savings	
	% of customers that experience	Average savings *
	Net cost	2014$
1	** 0	** $0
2	27	(148)
3	72	(560)
4	93	(1,315)

* The calculation includes households with zero LCC savings (no impact).

** The base-case efficiency distribution has 0-percent market share at the ASHRAE baseline; therefore, there are no savings for EL1.

b. National Impact Analysis

1. Amount and Significance of Energy Savings

To estimate the lifetime energy savings for equipment shipped through 2045 due to amended energy conservation standards, DOE compared the energy consumption of commercial water-source heat pumps under the ASHRAE Standard 90.1–2013 efficiency levels to energy consumption of the same water-source heat pumps under more-stringent efficiency standards. DOE also compared the energy consumption of those commercial water-source heat pumps under the ASHRAE Standard 90.1–2013 efficiency levels to energy consumption of commercial water-source heat pumps under the current EPCA base case (*i.e.,* under current Federal standards). DOE examined up to five efficiency levels higher than those of ASHRAE Standard 90.1–2013. Table VIII.24 through Table VIII.26 show the projected national energy savings at each of the considered standard levels. (See chapter 8 of the final rule TSD.)

TABLE VIII.24—POTENTIAL ENERGY SAVINGS FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS <17,000 BTU/H

Efficiency level	Primary energy savings estimate * (quads)	FFC Energy savings estimate * (quads)
Level 0—ASHRAE—12.2 EER **		
Level 1—13.0 EER	0.0002	0.0002
Level 2—14.0 EER	0.02	0.02
Level 3—15.7 EER	0.06	0.06
Level 4—16.5 EER	0.08	0.08
Level 5—"Max-Tech"—18.1 EER	0.11	0.11

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

** The base-case efficiency distribution has 0-percent market share at the Federal baseline; therefore, there are no savings for the ASHRAE level.

TABLE VIII.25—POTENTIAL ENERGY SAVINGS FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥17,000 AND <65,000 BTU/H

Efficiency level	Primary energy savings estimate * (quads)	FFC Energy savings estimate * (quads)
Level 0—ASHRAE—13.0 EER **		
Level 1—14.6 EER	0.02	0.03
Level 2—16.6 EER	0.26	0.27
Level 3—18.0 EER	0.45	0.47
Level 4—19.2 EER	0.60	0.63
Level 5—"Max-Tech"—21.6 EER	0.83	0.87

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

** The base-case efficiency distribution has 0-percent market share at the Federal baseline; therefore, there are no savings for the ASHRAE level.

TABLE VIII.26—POTENTIAL ENERGY SAVINGS FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS ≥65,000 AND <135,000 BTU/H

Efficiency level	Primary energy savings estimate * (quads)	FFC Energy savings estimate * (quads)
Level 0—ASHRAE—13.0 EER **	.....	.....
Level 1—14.0 EER **	.....	.....
Level 2—15.0 EER	0.01	0.01
Level 3—16.0 EER	0.03	0.03
Level 4—"Max-Tech"—17.2 EER	0.05	0.05

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.
** The base-case efficiency distribution has 0-percent market share at the Federal baseline and the ASHRAE baseline; therefore, there are no savings for the ASHRAE level or EL1.

2. Net Present Value of Customer Costs and Benefits

Table VIII.27 and Table VIII.28 provide an overview of the NPV results. (See chapter 8 of the final rule TSD for further detail.)

TABLE VIII.27—SUMMARY OF CUMULATIVE NET PRESENT VALUE FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS (DISCOUNTED AT SEVEN PERCENT)

Equipment class	Net present value (billion 2014$)				
	Efficiency level 1	Efficiency level 2	Efficiency level 3	Efficiency level 4	Efficiency level 5
Water-Source (Water-to-Air, Water-Loop) HP <17,000 Btu/h	(0.00)	(0.04)	(0.14)	(0.21)	(0.33)
Water-Source (Water-to-Air, Water-Loop) HP ≥17,000 to <65,000 Btu/h	0.01	0.00	(0.11)	(0.27)	(0.59)
Water-Source (Water-to-Air, Water-Loop) HP ≥65,000 to 135,000 Btu/h	(*)	(0.01)	(0.06)	(0.11)	N/A **

Notes: Numbers in parentheses indicate negative NPV.
The net present value for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted. Economic analysis was not conducted for the ASHRAE levels (EL 0).
* The base-case efficiency distribution has 0-percent market share at the ASHRAE baseline; therefore, there are no savings for EL1.
** The max-tech level for this equipment class is EL 4.

TABLE VIII.28—SUMMARY OF CUMULATIVE NET PRESENT VALUE FOR WATER-SOURCE (WATER-TO-AIR, WATER-LOOP) HEAT PUMPS (DISCOUNTED AT THREE PERCENT)

Equipment class	Net present value (billion 2014$)				
	Efficiency level 1	Efficiency level 2	Efficiency level 3	Efficiency level 4	Efficiency level 5
Water-Source (Water-to-Air, Water-Loop) HP <17,000 Btu/h	(0.00)	(0.05)	(0.20)	(0.30)	(0.49)
Water-Source (Water-to-Air, Water-Loop) HP ≥17,000 to <65,000 Btu/h	0.03	0.26	0.21	0.03	(0.37)
Water-Source (Water-to-Air, Water-Loop) HP ≥65,000 to 135,000 Btu/h	(*)	(0.02)	(0.08)	(0.15)	** N/A

Notes: Numbers in parentheses indicate negative NPV.
The net present value for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted. Economic analysis was not conducted for the ASHRAE levels (EL 0).
* The base-case efficiency distribution has 0-percent market share at the ASHRAE baseline; therefore, there are no savings for EL1.
** The max-tech level for this equipment class is EL 4.

3. Commercial Oil-Fired Storage Water Heaters

DOE estimated the potential primary energy savings in quads (*i.e.,* 10^{15} Btu) for each efficiency level considered within each equipment class analyzed. Table VIII.29 shows the potential energy savings resulting from the analyses conducted as part of the April 2014 NODA. 79 FR 20114, 20136 (April 11, 2014).

TABLE VIII.29—POTENTIAL ENERGY SAVINGS ESTIMATES FOR COMMERCIAL OIL-FIRED STORAGE WATER HEATERS >105,000 BTU/H AND <4,000 BTU/H/GAL

Efficiency level	Primary energy savings estimate * (Quads)	FFC Energy savings estimate * (Quads)
Level 0—ASHRAE—80% E_t	0.002	0.002
Level 1—81% E_t	0.001	0.001
Level 2—"Max-Tech"—82% E_t	0.002	0.002

* The potential energy savings for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

DOE did not conduct an economic analysis for this oil-fired storage water heater equipment category because of the minimal energy savings.

C. Need of the Nation To Conserve Energy

An improvement in the energy efficiency of the equipment subject to this rule, where economically justified, is likely to improve the security of the nation's energy system by reducing overall demand for energy, to strengthen the economy, and to reduce the environmental impacts or costs of energy production. Reduced electricity demand may also improve the reliability of the electricity system, particularly during peak-load periods. Reductions in national electric generating capacity estimated for each efficiency level considered in this rulemaking, throughout the same analysis period as the NIA, are reported in chapter 11 of the final rule TSD.

Energy savings from amended standards for the small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters covered in this final rule could also produce environmental benefits in the form of reduced emissions of air pollutants and greenhouse gases.

Table VIII.30 and Table VIII.31 provide DOE's estimate of cumulative emissions reductions projected to result from the efficiency levels analyzed in this rulemaking.[50] The tables include both power sector emissions and upstream emissions. The upstream emissions were calculated using the multipliers discussed in section VII.A. DOE reports annual CO_2, NO_X, and Hg emissions reductions for each efficiency level in chapter 9 of the final rule TSD. As discussed in section VII.A, DOE did not include NO_X emissions reduction from power plants in States subject to CAIR, because an energy conservation standard would not affect the overall level of NO_X emissions in those States due to the emissions caps mandated by CAIR.

TABLE VIII.30—CUMULATIVE EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H (2017–2046 FOR ASHRAE LEVEL; 2020–2046 FOR MORE-STRINGENT LEVELS; 2019–2048 FOR SPLIT-SYSTEM AIR CONDITIONERS)

	Efficiency level					
	ASHRAE/0	1	2	3	4	5
Power Sector Emissions						
CO_2 *(million metric tons)*	3.7	8.9	16.8	20.8	24.3	25.9
SO_2 (*thousand tons*)	2.9	6.9	13.0	16.1	18.8	20.1
NO_X *(thousand tons)*	2.8	6.7	12.6	15.6	18.2	19.4
Hg (*tons*)	0.01	0.02	0.04	0.05	0.06	0.06
N_2O (*thousand tons*)	0.05	0.13	0.24	0.30	0.35	0.37
CH_4 (*thousand tons*)	0.38	0.90	1.69	2.10	2.45	2.61
Upstream Emissions						
CO_2 *(million metric tons)*	0.22	0.54	1.00	1.24	1.45	1.54
SO_2 (*thousand tons*)	0.04	0.09	0.17	0.22	0.25	0.27
NO_X *(thousand tons)*	3.2	7.6	14.3	17.7	20.7	22.0
Hg (*tons*)	0.0001	0.0002	0.0004	0.0005	0.0006	0.0006
N_2O (*thousand tons*)	0.002	0.005	0.009	0.011	0.012	0.013
CH_4 (*thousand tons*)	19	45	83	103	121	128
Total FFC Emissions						
CO_2 *(million metric tons)*	4.0	9.5	17.8	22.1	25.8	27.4
SO_2 (*thousand tons*)	2.9	7.0	13.2	16.4	19.1	20.3
NO_X *(thousand tons)*	6.0	14.3	26.8	33.4	38.9	41.4
Hg (*tons*)	0.01	0.02	0.04	0.05	0.06	0.06
N_2O (*thousand tons*)	0.06	0.13	0.25	0.31	0.36	0.39
CH_4 (*thousand tons*)	19	45	85	105	123	131

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

[50] Because DOE did not conduct additional analysis for oil-fired storage water heaters, estimates of environmental benefits for amended standards for that equipment type are not shown here.

TABLE VIII.31—CUMULATIVE EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR WATER-SOURCE HEAT PUMPS (2016–2045 FOR ASHRAE LEVEL; 2020–2045 FOR MORE-STRINGENT LEVELS)

	Efficiency level					
	ASHRAE/0*	1	2	3	4	5
Power Sector Emissions						
CO_2 *(million metric tons)*	—	1.4	16.3	30.5	41.5	56.7
SO_2 (*thousand tons*)	—	1.1	12.9	24.1	32.9	44.9
NO_X *(thousand tons)*	—	1.1	12.3	23.1	31.4	42.9
Hg (*tons*)	—	0.003	0.040	0.074	0.101	0.139
N_2O (*thousand tons*)	—	0.02	0.23	0.44	0.60	0.81
CH_4 (*thousand tons*)	—	0.14	1.63	3.06	4.16	5.68
Upstream Emissions						
CO_2 *(million metric tons)*	—	0.08	0.97	1.81	2.47	3.36
SO_2 (*thousand tons*)	—	0.01	0.17	0.32	0.43	0.59
NO_X *(thousand tons)*	—	1.2	13.8	25.9	35.2	48.0
Hg (*tons*)	—	0.00003	0.00037	0.00070	0.00095	0.00129
N_2O (*thousand tons*)	—	0.001	0.008	0.016	0.021	0.029
CH_4 (*thousand tons*)	—	7.0	80.4	150.7	205.0	279.6
Total FFC Emissions						
CO_2 *(million metric tons)*	—	1.5	17.3	32.3	44.0	60.1
SO_2 (*thousand tons*)	—	1.1	13.1	24.5	33.3	45.5
NO_X *(thousand tons)*	—	2.3	26.1	48.9	66.6	90.9
Hg (*tons*)	—	0.004	0.040	0.075	0.102	0.140
N_2O (*thousand tons*)	—	0.02	0.24	0.45	0.62	0.84
CH_4 (*thousand tons*)	—	7.2	82.0	153.8	209.1	285.3

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

*There are no reductions for the ASHRAE level because there is no market share projected at the Federal baseline in the base case.

As part of the analysis for this final rule, DOE estimated monetary benefits likely to result from the reduced emissions of CO_2 and NO_X estimated for each of the efficiency levels analyzed for small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters. As discussed in section VII.B.1, for CO_2, DOE used values for the SCC developed by an interagency process. The interagency group selected four sets of SCC values for use in regulatory analyses. Three sets are based on the average SCC from three integrated assessment models, at discount rates of 2.5 percent, 3 percent, and 5 percent. The fourth set, which represents the 95th-percentile SCC estimate across all three models at a 3-percent discount rate, is included to represent higher-than-expected impacts from temperature change further out in the tails of the SCC distribution. The four SCC values for CO_2 emissions reductions in 2015, expressed in 2014$, are $12.2/ton, $41.2/ton, $63.4/ton, and $121/ton. The values for later years are higher due to increasing emissions-related costs as the magnitude of projected climate change increases.

Table VIII.32 and Table VIII.33 present the global value of CO_2 emissions reductions at each efficiency level. For each of the four cases, DOE calculated a present value of the stream of annual values using the same discount rate as was used in the studies upon which the dollar-per-ton values are based. DOE calculated domestic values as a range from 7 percent to 23 percent of the global values, and these results are presented in chapter 10 of the final rule TSD.

TABLE VIII.32—GLOBAL PRESENT VALUE OF CO_2 EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H

Efficiency level	SCC Scenario*			
	5% Discount rate, average	3% Discount rate, average	2.5% Discount rate, average	3% Discount rate, 95th percentile
	million 2014$			
Power Sector Emissions				
ASHRAE/0	24	115	184	356
1	57	273	437	846
2	110	521	832	1,613
3	136	646	1,031	1,999
4	159	754	1,204	2,334
5	170	804	1,283	2,489

TABLE VIII.32—GLOBAL PRESENT VALUE OF CO_2 EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 BTU/H—Continued

Efficiency level	SCC Scenario*			
	5% Discount rate, average	3% Discount rate, average	2.5% Discount rate, average	3% Discount rate, 95th percentile
Upstream Emissions				
ASHRAE/0	1.4	6.8	11	21
1	3.3	16	26	50
2	6.4	31	49	95
3	7.9	38	61	118
4	9.3	44	71	138
5	10	47	76	147
Total FFC Emissions				
ASHRAE/0	25	122	195	377
1	60	289	463	896
2	116	552	881	1,708
3	144	684	1,092	2,117
4	168	799	1,275	2,472
5	179	851	1,359	2,635

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.
* For each of the four cases, the corresponding SCC value for emissions in 2015 is $12.2, $41.2, $63.4 and $121 per metric ton (2014$).

TABLE VIII.33—GLOBAL PRESENT VALUE OF CO_2 EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR WATER-SOURCE HEAT PUMPS

Efficiency level	SCC Scenario *			
	5% Discount rate, average	3% Discount rate, average	2.5% Discount rate, average	3% Discount rate, 95th percentile
	million 2014$			
Power Sector Emissions				
ASHRAE/0**	—	—	—	—
1	9.3	44	71	137
2	106	504	805	1,560
3	198	943	1,507	2,922
4	270	1,285	2,052	3,979
5	370	1,758	2,808	5,446
Upstream Emissions				
ASHRAE/0**	—	—	—	—
1	0.5	2.6	4.1	8.0
2	6.1	30	47	92
3	12	55	89	172
4	16	75	121	234
5	21	103	165	320
Total FFC Emissions				
ASHRAE/0**	—	—	—	—
1	9.8	47	75	145
2	112	533	852	1,652
3	209	999	1,596	3,094
4	285	1,360	2,173	4,213
5	391	1,862	2,973	5,765

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.
* For each of the four cases, the corresponding SCC value for emissions in 2015 is $12.2, $41.2, $63.4 and $121 per metric ton (2014$).
** There are no reductions for the ASHRAE level because there is no market share projected at the Federal baseline in the base case.

DOE is well aware that scientific and economic knowledge about the contribution of CO_2 and other GHG emissions to changes in the future global climate and the potential resulting damages to the world economy

continues to evolve rapidly. Thus, any value placed in this rulemaking on reducing CO_2 emissions is subject to change. DOE, together with other Federal agencies, will continue to review various methodologies for estimating the monetary value of reductions in CO_2 and other GHG emissions. This ongoing review will consider the comments on this subject that are part of the public record for this and other rulemakings, as well as other methodological assumptions and issues. However, consistent with DOE's legal obligations, and taking into account the uncertainty involved with this particular issue, DOE has included in this final rule the most recent values and analyses resulting from the interagency review process.

DOE also estimated a range for the cumulative monetary value of the economic benefits associated with NO_X emissions reductions anticipated to result from amended standards for the small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters that are the subject of this final rule. The dollar-per-ton values that DOE used are discussed in section VII.B.2.

Table VIII.34 and Table VIII.35 present the present value of cumulative NO_X emissions reductions for each efficiency level calculated using the average dollar-per-ton values and 7-percent and 3-percent discount rates.

TABLE VIII.34—PRESENT VALUE OF NO_X EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 Btu/h

[(2017–2046 for ASHRAE level; 2020–2046 for more-stringent levels; 2019–2048 for split-system air conditioners)]

Efficiency level	3% Discount rate	7% Discount rate
	million 2014$	
Power Sector Emissions		
ASHRAE/0	3.5	1.5
1	8.2	3.5
2	16	7.0
3	20	8.6
4	23	10
5	25	11
Upstream Emissions		
ASHRAE/0	3.8	1.5
1	9.0	3.6
2	17	7.2
3	22	8.9
4	25	10
5	27	11
Total FFC Emissions		
ASHRAE/0	7.3	3.0
1	17	7.1
2	33	14
3	41	17
4	48	20
5	51	22

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

TABLE VIII.35—PRESENT VALUE OF NO_X EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR WATER-SOURCE HEAT PUMPS

[(2016–2045 for ASHRAE level; 2020–2045 for more-stringent levels)]

Efficiency level	3% Discount rate	7% Discount rate
	million 2014$	
Power Sector Emissions		
ASHRAE/0 *	.....	.....
1	1.4	0.6
2	15	6.6
3	29	12
4	39	17
5	54	23
Upstream Emissions		
ASHRAE/0 *	.....	.....
1	1.5	0.6

TABLE VIII.35—PRESENT VALUE OF NO_X EMISSIONS REDUCTION FOR POTENTIAL STANDARDS FOR WATER-SOURCE HEAT PUMPS—Continued

[(2016–2045 for ASHRAE level; 2020–2045 for more-stringent levels)]

Efficiency level	3% Discount rate	7% Discount rate
2	17	6.7
3	31	13
4	42	17
5	58	24
Total FFC Emissions		
ASHRAE/0 *	.....	.....
1	2.8	1.2
2	32	13
3	60	25
4	82	34
5	112	47

Note: The potential emissions reduction for efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013 were calculated relative to the efficiency levels that would result if ASHRAE Standard 90.1–2013 standards were adopted.

* There are no reductions for the ASHRAE level because there is no market share projected at the Federal baseline in the base case.

D. Amended Energy Conservation Standards

1. Small Commercial Air-Cooled Air Conditioners and Heat Pumps Less Than 65,000 Btu/h

As noted previously, EPCA specifies that, for any commercial and industrial equipment addressed under 42 U.S.C. 6313(a)(6)(A)(i), DOE may prescribe an energy conservation standard more stringent than the level for such equipment in ASHRAE Standard 90.1, as amended, only if ''clear and convincing evidence'' shows that a more-stringent standard would result in significant additional conservation of energy and is technologically feasible and economically justified. (42 U.S.C. 6313(a)(6)(A)(ii)(II)) This requirement also applies to split-system air conditioners evaluated under the 6-year look back. (42 U.S.C. 6313)(a)(6)(C)(i)(II))

In evaluating more-stringent efficiency levels than those specified by ASHRAE Standard 90.1–2013 for small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, DOE reviewed the results in terms of their technological feasibility, significance of energy savings, and economic justification.

DOE has concluded that all of the SEER and HSPF levels considered by DOE are technologically feasible, as units with equivalent efficiency appeared to be available in the current market at all levels examined.

DOE examined the potential energy savings that would result from the efficiency levels specified in ASHRAE Standard 90.1–2013 and compared these to the potential energy savings that would result from efficiency levels more stringent than those in ASHRAE Standard 90.1–2013. DOE estimates that 0.05 quads of energy would be saved if DOE adopts the efficiency levels set in ASHRAE Standard 90.1–2013 for each small air-cooled air conditioner and heat pump class specified in that standard. If DOE were to adopt efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013, the potential additional energy savings range from 0.02 quads to 0.45 quads. Associated with proposing more-stringent efficiency levels for the three triggered equipment classes is a three-year delay in implementation compared to the adoption of energy conservation standards at the levels specified in ASHRAE Standard 90.1–2013 (see section V.E.10). This delay in implementation of amended energy conservation standards would result in a small amount of energy savings being lost in the first years (2017 through 2020) compared to the savings from adopting the levels in ASHRAE Standard 90.1–2013; however, this loss may be compensated for by increased savings in later years. Taken in isolation, the energy savings associated with more-stringent standards might be considered significant enough to warrant adoption of such standards. However, as noted previously, energy savings are not the only factor that DOE must consider.

In considering whether potential standards are economically justified, DOE also examined the LCC savings and national NPV that would result from adopting efficiency levels more stringent than those set forth in ASHRAE Standard 90.1–2013. The analytical results show negative average LCC savings and negative national NPV at both 7-percent and 3-percent discount rate for all efficiency levels in all four equipment classes. These results indicate that adoption of efficiency levels more stringent than those in ASHRAE Standard 90.1–2013 as Federal energy conservation standards would likely lead to negative economic outcomes for the Nation. Consequently, this criterion for adoption of more-stringent standard levels does not appear to have been met.

As such, DOE does not have ''clear and convincing evidence'' that any significant additional conservation of energy that would result from adoption of more-stringent efficiency levels than those specified in ASHRAE Standard 90.1–2013 would be economically justified. Comments on the NOPR did not provide any additional information to alter this conclusion. Therefore, DOE is adopting amended energy efficiency levels for this equipment as set forth in ASHRAE Standard 90.1–2013. For split-system air conditioners, for which the efficiency level was not updated in ASHRAE Standard 90.1–2013, DOE is making a determination that standards for the product do not need to be amended for the reasons stated above. Table VIII.36 presents the amended energy conservation standards and compliance dates for small air-cooled air conditioners and heat pumps less than 65,000 Btu/h.

TABLE VIII.36—AMENDED ENERGY CONSERVATION STANDARDS FOR SMALL THREE-PHASE AIR-COOLED AIR CONDITIONERS AND HEAT PUMPS <65,000 Btu/h

Equipment type	Efficiency level	Compliance date
Three-Phase Air-Cooled Split System Air Conditioners <65,000 Btu/h	13.0 SEER *	June 16, 2008.
Three-Phase Air-Cooled Single Package Air Conditioners <65,000 Btu/h	14.0 SEER	January 1, 2017.
Three-Phase Air-Cooled Split System Heat Pumps <65,000 Btu/h	14.0 SEER, 8.2 HSPF	January 1, 2017.
Three-Phase Air-Cooled Single Package Heat Pumps <65,000 Btu/h	14.0 SEER, 8.0 HSPF	January 1, 2017.

* 13.0 SEER is the existing Federal minimum energy conservation standard for three-phase air-cooled split system air conditioners <65,000 Btu/h.

2. Water-Source Heat Pumps

In evaluating more-stringent efficiency levels for water-source heat pumps than those specified by ASHRAE Standard 90.1–2013, DOE reviewed the results in terms of their technological feasibility, significance of energy savings, and economic justification.

DOE has concluded that all of the EER and COP levels considered by DOE are technologically feasible, as units with equivalent efficiency appeared to be available in the current market at all levels examined.

DOE examined the potential energy savings that would result from the efficiency levels specified in ASHRAE Standard 90.1–2013 and compared these to the potential energy savings that would result from efficiency levels more stringent than those in ASHRAE Standard 90.1–2013. DOE does not estimate any energy savings from adopting the levels set in ASHRAE Standard 90.1–2013, as very few models exist on the market below that level, and by 2020, DOE expects those models to be off the market. If DOE were to adopt efficiency levels more stringent than those specified by ASHRAE Standard 90.1–2013, the potential additional energy savings range from 0.03 quads to 1.0 quads. Associated with proposing more-stringent efficiency levels is a four-and-a-half-year delay in implementation compared to the adoption of energy conservation standards at the levels specified in ASHRAE Standard 90.1–2013 (see section VI.E.10). This delay in implementation of amended energy conservation standards would result in a small amount of energy savings being lost in the first years (2016 through 2020) compared to the savings from adopting the levels in ASHRAE Standard 90.1–2013; however, this loss may be compensated for by increased savings in later years. Taken in isolation, the energy savings associated with more-stringent standards might be considered significant enough to warrant adoption of such standards. However, as noted above, energy savings are not the only factor that DOE must consider.

In considering whether potential standards are economically justified, DOE also examined the NPV that would result from adopting efficiency levels more stringent than those set forth in ASHRAE Standard 90.1–2013. With a 7-percent discount rate, EL 1 results in positive NPV, and ELs 2 through 5 result in negative NPV. With a 3-percent discount rate, ELs 1 and 2 create positive NPV, while ELs 3 through 5 result in negative NPVs. These results indicate that adoption of efficiency levels more stringent than those in ASHRAE Standard 90.1–2013 as Federal energy conservation standards might lead to negative economic outcomes for the Nation, except at EL1, which offers very little energy savings.

Furthermore, although DOE based it analyses on the best available data when examining the potential energy savings and the economic justification of efficiency levels more stringent than those specified in ASHRAE Standard 90.1–2013, DOE believes there are several limitations regarding that data which should be considered before proposing amended energy conservation standards for water-source heat pumps.

First, DOE reexamined the uncertainty in its analysis of water-source heat pumps. As noted in section VI.D, DOE relied on cooling energy use estimates from a 2000 study. While DOE applied a scaling factor to attempt to account for changes in buildings since 2000, this is only a rough estimate. DOE considered running building simulations by applying a water-source heat pump module to reference buildings. However, DOE has been unable to obtain reliable information on the distribution of water-source heat pump applications. Therefore, it is not clear which building types would be most useful to simulate and how DOE would weight the results of the simulations. Furthermore, DOE has no field data with which to corroborate the results of the simulations. The analysis of heating energy use is also very uncertain; DOE relied on estimates for air-source heat pumps, but it is unclear whether water-source heat pumps would have similar heating usage, as they tend to be used in different applications. Any inaccuracy in UEC directly impacts the energy savings estimates and consumer impacts.

Second, in developing its analysis, DOE made refinements to various inputs, such as heating UEC and repair cost. DOE observed that the NPV results were highly sensitive to small changes in these inputs, with NPV for EL 2, for example, changing from positive to negative and back over several iterations. This model sensitivity, combined with high uncertainty in various inputs, makes it difficult for DOE to determine that the results provide clear and convincing evidence that higher standards would be economically justified.

Third, DOE relied on shipments estimates from the U.S. Census. As noted in the January 2015 NOPR, these estimates are considerably higher than those found in an EIA report. 80 FR 1171, 1206. Furthermore, DOE disaggregated the shipments into equipment class using data from over a decade ago. Although DOE requested comment, DOE has not received any information or data regarding the shipments of this equipment. Any inaccuracy in the shipment projection in total or by equipment class contributes to the uncertainty of the energy savings results and, thus, makes it difficult for DOE to determine that any additional energy savings are significant.

Fourth, due to the limited data on the existing distribution of shipments by efficiency level or historical efficiency trends, DOE was not able to assess possible future changes in either the available efficiencies of equipment in the water-source heat pump market or the sales distribution of shipments by efficiency level in the absence of setting more-stringent standards. Instead, DOE applied an efficiency trend from a commercial air conditioner rulemaking published 10 years ago. DOE recognizes that manufacturers may continue to make future improvements in water-source heat pump efficiencies even in the absence of mandated energy conservation standards. In particular,

water-source heat pumps tend to be a fairly efficient product, and the distribution of model availability indicates that many commercial consumers are already purchasing equipment well above the baseline. Consequently, it is likely that the true improvements in efficiency in the absence of a standard may be higher than estimated. This possibility increases the uncertainty of the energy savings estimates. To the extent that manufacturers improve equipment efficiency and commercial consumers choose to purchase improved products in the absence of standards, the energy savings estimates would likely be reduced.

In light of the above, DOE would again restate the statutory test for adopting energy conservation standards more stringent than the levels in ASHRAE Standard 90.1. DOE must have ''clear and convincing'' evidence in order to propose efficiency levels more stringent than those specified in ASHRAE Standard 90.1–2013, and for the reasons explained in this document, the totality of information does not meet the level necessary to support these more-stringent efficiency levels for water-source heat pumps. Consequently, although certain stakeholders have recommended that DOE adopt higher efficiency levels for one water-source heat pump class (as discussed in section III.B), DOE has decided to adopt the efficiency levels in ASHRAE Standard 90.1–2013 as amended energy conservation standards for all three water-source heat pump equipment classes. Accordingly, Table VIII.37 presents the amended energy conservation standards and compliance dates for water-source heat pumps.

TABLE VIII.37—AMENDED ENERGY CONSERVATION STANDARDS FOR WATER-SOURCE HEAT PUMPS

Equipment type	Efficiency level	Compliance date
Water-Source (Water-to-Air, Water-Loop) HP <17,000 Btu/h	12.2 EER, 4.3 COP	October 9, 2015.
Water-Source (Water-to-Air, Water-Loop) HP ≥17,000 to <65,000 Btu/h	13.0 EER, 4.3 COP	October 9, 2015.
Water-Source (Water-to-Air, Water-Loop) HP ≥65,000 to 135,000 Btu/h	13.0 EER, 4.3 COP	October 9, 2015.

3. Commercial Oil-Fired Storage Water Heaters

EPCA specifies that, for any commercial and industrial equipment addressed under 42 U.S.C. 6313(a)(6)(A)(i), DOE may prescribe an energy conservation standard more stringent than the level for such equipment in ASHRAE Standard 90.1, as amended, only if ''clear and convincing evidence'' shows that a more-stringent standard would result in significant additional conservation of energy and is technologically feasible and economically justified. (42 U.S.C. 6313(a)(6)(A)(ii)(II))

In evaluating more-stringent efficiency levels for oil-fired storage water-heating equipment than those specified by ASHRAE Standard 90.1–2013, DOE reviewed the results in terms of the significance of their additional energy savings. DOE believes that the energy savings from increasing national energy conservation standards for oil-fired storage water heaters above the levels specified by ASHRAE Standard 90.1–2013 would be minimal. As noted in the January 2015 NOPR, DOE does not have ''clear and convincing evidence'' that significant additional conservation of energy would result from adoption of more-stringent standard levels. 80 FR 1171, 1226–27. Comments on the NOPR did not provide any additional information to alter this conclusion. Therefore, DOE did not examine whether the levels are economically justified, and DOE is adopting the energy efficiency levels for this equipment type as set forth in ASHRAE Standard 90.1–2013. Table VIII.38 presents the amended energy conservation standard and compliance date for oil-fired storage water heaters.

TABLE VIII.38—AMENDED ENERGY CONSERVATION STANDARDS FOR OIL-FIRED STORAGE WATER HEATERS

Equipment type	Efficiency level (Et)	Compliance date
Oil-Fired Storage Water Heaters >105,000 Btu/h and <4,000 Btu/h/gal	80%	October 9, 2015.

IX. Procedural Issues and Regulatory Review

A. Review Under Executive Order 12866 and 13563

Section 1(b)(1) of Executive Order 12866, ''Regulatory Planning and Review,'' 58 FR 51735 (Oct. 4, 1993), requires each agency to identify the problem that it intends to address, including, where applicable, the failures of private markets or public institutions that warrant new agency action, as well as to assess the significance of that problem. The problems that the adopted standards for small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters address are as follows:

(1) Insufficient information and the high costs of gathering and analyzing relevant information leads some consumers to miss opportunities to make cost-effective investments in energy efficiency.

(2) In some cases the benefits of more efficient equipment are not realized due to misaligned incentives between purchasers and users. An example of such a case is when the equipment purchase decision is made by a building contractor or building owner who does not pay the energy costs.

(3) There are external benefits resulting from improved energy efficiency of small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters that are not captured by the users of such equipment. These benefits include externalities related to public health, environmental protection, and national energy security that are not reflected in energy prices, such as reduced emissions of air pollutants and greenhouse gases that impact human health and global warming. DOE attempts to quantify some of the external benefits through use of social cost of carbon values.

In addition, DOE has determined that the proposed regulatory action is not a ''significant regulatory action'' under section 3(f)(1) of Executive Order 12866. Accordingly, DOE has not prepared a regulatory impact analysis (RIA) for this rule, and the Office of Information and Regulatory Affairs (OIRA) in the Office

of Management and Budget (OMB) has not reviewed this rule.

DOE has also reviewed this regulation pursuant to Executive Order 13563, issued on January 18, 2011. (76 FR 3281, Jan. 21, 2011) EO 13563 is supplemental to and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, agencies are required by Executive Order 13563 to: (1) Propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity); (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public.

DOE emphasizes as well that Executive Order 13563 requires agencies to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible. In its guidance, OIRA has emphasized that such techniques may include identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes. For the reasons stated in the preamble, DOE believes that this final rule is consistent with these principles, including the requirement that, to the extent permitted by law, benefits justify costs and that net benefits are maximized.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires preparation of an initial regulatory flexibility analysis (IRFA) for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. As required by Executive Order 13272, ''Proper Consideration of Small Entities in Agency Rulemaking,'' 67 FR 53461 (August 16, 2002), DOE published procedures and policies on February 19, 2003, to ensure that the potential impacts of its rules on small entities are properly considered during the rulemaking process. 68 FR 7990. DOE has made its procedures and policies available on the Office of the General Counsel's Web site (*http://energy.gov/gc/office-general-counsel*).

For manufacturers of small air-cooled air conditioners and heat pumps less than 65,000 Btu/h, water-source heat pumps, and oil-fired storage water heaters, the Small Business Administration (SBA) has set a size threshold, which defines those entities classified as ''small businesses'' for the purposes of the statute. DOE used the SBA's small business size standards to determine whether any small entities would be subject to the requirements of the rule. 65 FR 30836, 30848 (May 15, 2000), as amended at 65 FR 53533, 53544 (Sept. 5, 2000) and 77 FR 49991, 50000 (August 20, 2012), as codified at 13 CFR part 121. The size standards are listed by North American Industry Classification System (NAICS) code and industry description and are available at *http://www.sba.gov/sites/default/files/Size_Standards_Table.pdf*. The ASHRAE equipment covered by this rule are classified under NAICS 333318, ''Other Commercial and Service Industry Machinery Manufacturing'' (oil-fired water heaters) and NAICS 333415, ''Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment Manufacturing'' (all other equipment addressed by the notice). For an entity to be considered as a small business, the SBA sets a threshold of 1,000 employees or fewer for the first category including commercial water heaters and 750 employees or fewer for the second category.

DOE examined each of the manufacturers it found during its market assessment and used publicly-available information to determine if any manufacturers identified qualify as a small business under the SBA guidelines discussed previously. (For a list of all manufacturers of ASHRAE equipment covered by this rule, see chapter 2 of the final rule TSD.) DOE's research involved individual company Web sites and marketing research tools (*e.g.,* Hoovers reports [51]) to create a list of companies that manufacture the types of ASHRAE equipment affected by this rule. DOE screened out companies that do not have domestic manufacturing operations for ASHRAE equipment (*i.e.,* manufacturers that produce all of their ASHRAE equipment internationally). DOE also did not consider manufacturers that are subsidiaries of parent companies that exceed the applicable 1000-employee or 750-employee threshold set by the SBA to be small businesses. DOE identified 16 companies that qualify as small manufacturers: 5 central air conditioner manufacturers (of the 23 total identified), 7 water-source heat pump manufacturers (of the 18 total identified), and 7 oil-fired storage water heater manufacturers (of the 10 total identified). Please note that there are 3 small manufacturers that produce equipment in more than one of these categories.

Based on reviews of product listing data in the AHRI Directory for commercial equipment, DOE estimates that small manufacturers account for less than 1 percent of the market for covered three-phase central air conditioner equipment and less than 5 percent of the market for covered water-source heat pump equipment. In the oil-fired storage water heat market, DOE understands that one of the small manufacturers is a significant player in the market. That manufacturer accounts for 34 percent of product listings. DOE believes that the remaining oil-fired storage water heater manufacturers account for less than 5 percent of the market.

DOE has reviewed this rule under the provisions of the Regulatory Flexibility Act and the policies and procedures published on February 19, 2003. 68 FR 7990. As part of this rulemaking, DOE examined the potential impacts of amended standard levels on manufacturers, as well as the potential implications of the proposed revisions to the commercial warm air furnace test procedures on compliance burdens.

DOE examined the impact of raising the standards to the amended levels by examining the distribution of efficiencies of commercially-available models in the AHRI Directory. For water-source heat pumps and oil-fired storage water heaters, DOE found that all manufacturers in the directory, including the small manufacturers, already offer equipment at and above the amended standards. While these small manufacturers would have to discontinue a fraction of their models in order to comply with the standards adopted in this rulemaking, DOE does not believe that there would be a significant burden placed on industry,

[51] For more information see: *http://www.hoovers.com/.*

as the market would shift to the new baseline levels when compliance with the new standards is required.

For small commercial air-cooled air conditioners and heat pumps, DOE found one small manufacturer of single-package units in the directory with no models that could meet the adopted ASHRAE levels.

To estimate the impacts of the amended standard, DOE researched prior energy conservation standard analyses of the covered equipment, as well as any analyses of comparable single-phase products. The 2011 direct final rule for residential furnaces, central air conditioners, and heat pumps included analysis for a 14 SEER efficiency level for split-system as well as single-package air conditioners and heat pumps. 76 FR 37408 (June 27, 2011). The 2011 analysis indicated that manufacturers would need to include additional heat exchanger surface area and to include modulating components to reach the 14 SEER level from a 13 SEER baseline. The 2011 analyses further concluded that these improvements could be made without significant investments in equipment and production assets. The amended levels for oil-fired storage water heaters or water-source heat pumps have not been analyzed as a part of any prior energy conservation standard rulemakings.

However, DOE understands that the ASHRAE standards were developed through an industry consensus process, which included consideration of manufacturer input, including the impacts to small manufacturers, when increasing the efficiency of equipment. Because EPCA requires DOE to adopt the ASHRAE levels or to propose higher standards, DOE is limited in terms of the steps it can take to mitigate impacts to small businesses, but DOE reasons that such mitigation has already occurred since small manufacturers had input into the development of the industry consensus standard that DOE is statutorily required to adopt.

As for the specific changes being adopted for the commercial warm air furnace test procedure, the test procedures (ANSI Z21.47–2012 and ASHRAE 103–2007) that DOE is incorporating by reference do not include any updates to the methodology in those sections utilized in the DOE test procedure. Thus, DOE has concluded that this test procedure rulemaking would keep the DOE test procedure current with the latest version of the applicable industry testing standards, but it will not change the methodology used to generate ratings of commercial warm air furnaces. Consequently, the test procedure amendments would not be expected to have a substantive impact on manufacturers, either large or small.

For the reasons stated previously, DOE did not prepare an initial regulatory flexibility analysis for the final rule. DOE will transmit its certification and a supporting statement of factual basis to the Chief Counsel for Advocacy of the SBA for review pursuant to 5 U.S.C. 605(b).

C. Review Under the Paperwork Reduction Act of 1995

Manufacturers of the ASHRAE equipment subject to this final rule must certify to DOE that their equipment complies with any applicable energy conservation standards. In certifying compliance, manufacturers must test their equipment according to the applicable DOE test procedures for the relevant ASHRAE equipment, including any amendments adopted for those test procedures. DOE has established regulations for the certification and recordkeeping requirements for all covered consumer products and commercial equipment, including the ASHRAE equipment in this final rule. 76 FR 12422 (March 7, 2011); 80 FR 5099 (Jan. 30, 2015). The collection-of-information requirement for the certification and recordkeeping is subject to review and approval by OMB under the Paperwork Reduction Act (PRA). This requirement has been approved by OMB under OMB control number 1910–1400. Public reporting burden for the certification is estimated to average 30 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB Control Number.

D. Review Under the National Environmental Policy Act of 1969

Pursuant to the National Environmental Policy Act (NEPA) of 1969, DOE has determined that the rule fits within the category of actions included in Categorical Exclusion (CX) B5.1 and otherwise meets the requirements for application of a CX. See 10 CFR part 1021, App. B, B5.1(b); 1021.410(b) and Appendix B, B(1)–(5). The rule fits within the category of actions because it is a rulemaking that establishes energy conservation standards for consumer products or industrial equipment, and for which none of the exceptions identified in CX B5.1(b) apply. Therefore, DOE has made a CX determination for this rulemaking, and DOE does not need to prepare an Environmental Assessment or Environmental Impact Statement for this rule. DOE's CX determination for this rule is available at *http://cxnepa.energy.gov/*.

E. Review Under Executive Order 13132

Executive Order 13132, ''Federalism.'' 64 FR 43255 (Aug. 10, 1999) imposes certain requirements on Federal agencies formulating and implementing policies or regulations that preempt State law or that have Federalism implications. The Executive Order requires agencies to examine the constitutional and statutory authority supporting any action that would limit the policymaking discretion of the States and to carefully assess the necessity for such actions. The Executive Order also requires agencies to have an accountable process to ensure meaningful and timely input by State and local officials in the development of regulatory policies that have Federalism implications. On March 14, 2000, DOE published a statement of policy describing the intergovernmental consultation process it will follow in the development of such regulations. 65 FR 13735. DOE has examined this rule and has determined that it would not have a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. EPCA governs and prescribes Federal preemption of State regulations as to energy conservation for the products that are the subject of this final rule. States can petition DOE for exemption from such preemption to the extent, and based on criteria, set forth in EPCA. (42 U.S.C. 6297) Therefore, no further action is required by Executive Order 13132.

F. Review Under Executive Order 12988

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of Executive Order 12988, ''Civil Justice Reform,'' imposes on Federal agencies the general duty to adhere to the following requirements: (1) eliminate drafting errors and ambiguity; (2) write regulations to minimize litigation; (3) provide a clear legal standard for affected conduct rather than a general standard; and (4) promote simplification

and burden reduction. 61 FR 4729 (Feb. 7, 1996). Regarding the review required by section 3(a), section 3(b) of Executive Order 12988 specifically requires that Executive agencies make every reasonable effort to ensure that the regulation: (1) Clearly specifies the preemptive effect, if any; (2) clearly specifies any effect on existing Federal law or regulation; (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction; (4) specifies the retroactive effect, if any; (5) adequately defines key terms; and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General. Section 3(c) of Executive Order 12988 requires Executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. DOE has completed the required review and determined that, to the extent permitted by law, this final rule meets the relevant standards of Executive Order 12988.

G. Review Under the Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) requires each Federal agency to assess the effects of Federal regulatory actions on State, local, and Tribal governments and the private sector. Public Law 104–4, sec. 201 (codified at 2 U.S.C. 1531). For a regulatory action likely to result in a rule that may cause the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector of $100 million or more in any one year (adjusted annually for inflation), section 202 of UMRA requires a Federal agency to publish a written statement that estimates the resulting costs, benefits, and other effects on the national economy. (2 U.S.C. 1532(a), (b)) The UMRA also requires a Federal agency to develop an effective process to permit timely input by elected officers of State, local, and Tribal governments on a ''significant intergovernmental mandate,'' and requires an agency plan for giving notice and opportunity for timely input to potentially affected small governments before establishing any requirements that might significantly or uniquely affect them. On March 18, 1997, DOE published a statement of policy on its process for intergovernmental consultation under UMRA. 62 FR 12820. DOE's policy statement is also available at *http://energy.gov/sites/prod/files/gcprod/documents/umra_97.pdf*.

DOE has concluded that this final rule contains neither an intergovernmental mandate nor a mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of $100 million or more in any year. Accordingly, no assessment or analysis is required under the UMRA.

H. Review Under the Treasury and General Government Appropriations Act, 1999

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105–277) requires Federal agencies to issue a Family Policymaking Assessment for any rule that may affect family well-being. This rule would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, DOE has concluded that it is not necessary to prepare a Family Policymaking Assessment.

I. Review Under Executive Order 12630

Pursuant to Executive Order 12630, ''Governmental Actions and Interference with Constitutionally Protected Property Rights'' 53 FR 8859 (March 18, 1988), DOE has determined that this rule would not result in any takings that might require compensation under the Fifth Amendment to the U.S. Constitution.

J. Review Under the Treasury and General Government Appropriations Act, 2001

Section 515 of the Treasury and General Government Appropriations Act, 2001 (44 U.S.C. 3516, note) provides for Federal agencies to review most disseminations of information to the public under information quality guidelines established by each agency pursuant to general guidelines issued by OMB. OMB's guidelines were published at 67 FR 8452 (Feb. 22, 2002), and DOE's guidelines were published at 67 FR 62446 (Oct. 7, 2002). DOE has reviewed this final rule under the OMB and DOE guidelines and has concluded that it is consistent with applicable policies in those guidelines.

K. Review Under Executive Order 13211

Executive Order 13211, ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use,'' 66 FR 28355 (May 22, 2001), requires Federal agencies to prepare and submit to OIRA at OMB, a Statement of Energy Effects for any significant energy action. A ''significant energy action'' is defined as any action by an agency that promulgates or is expected to lead to promulgation of a final rule, and that: (1) Is a significant regulatory action under Executive Order 12866, or any successor order; and (2) is likely to have a significant adverse effect on the supply, distribution, or use of energy, or (3) is designated by the Administrator of OIRA as a significant energy action. For any significant energy action, the agency must give a detailed statement of any adverse effects on energy supply, distribution, or use should the proposal be implemented, and of reasonable alternatives to the action and their expected benefits on energy supply, distribution, and use.

DOE has concluded that this regulatory action, which sets forth amended energy conservation standards for certain types of ASHRAE equipment, is not a significant energy action because the standards are not a significant regulatory action under Executive Order 12866 and are not likely to have a significant adverse effect on the supply, distribution, or use of energy, nor has it been designated as such by the Administrator at OIRA. Accordingly, DOE has not prepared a Statement of Energy Effects on the final rule.

L. Review Under the Information Quality Bulletin for Peer Review

On December 16, 2004, OMB, in consultation with the Office of Science and Technology Policy (OSTP), issued its Final Information Quality Bulletin for Peer Review (the Bulletin). 70 FR 2664 (Jan. 14, 2005). The Bulletin establishes that certain scientific information shall be peer reviewed by qualified specialists before it is disseminated by the Federal Government, including influential scientific information related to agency regulatory actions. The purpose of the bulletin is to enhance the quality and credibility of the Government's scientific information. Under the Bulletin, the energy conservation standards rulemaking analyses are ''influential scientific information,'' which the Bulletin defines as ''scientific information the agency reasonably can determine will have, or does have, a clear and substantial impact on important public policies or private sector decisions.'' Id at FR 2667.

In response to OMB's Bulletin, DOE conducted formal in-progress peer reviews of the energy conservation standards development process and analyses and has prepared a Peer Review Report pertaining to the energy conservation standards rulemaking analyses. Generation of this report involved a rigorous, formal, and documented evaluation using objective criteria and qualified and independent

reviewers to make a judgment as to the technical/scientific/business merit, the actual or anticipated results, and the productivity and management effectiveness of programs and/or projects. The ''Energy Conservation Standards Rulemaking Peer Review Report'' dated February 2007 has been disseminated and is available at the following Web site: *www1.eere.energy.gov/buildings/appliance_standards/peer_review.html*.

M. Congressional Notification

As required by 5 U.S.C. 801, DOE will report to Congress on the promulgation of this rule prior to its effective date. The report will state that it has been determined that the rule is not a ''major rule'' as defined by 5 U.S.C. 804(2).

N. Description of Materials Incorporated by Reference

In this final rule, DOE updates its incorporations by reference to two industry standards related to the test procedure for commercial warm-air furnaces in 10 CFR 431.76. These standards include ANSI Z21.47–2012, ''*Standards for Gas-Fired Central Furnaces,''* and ASHRAE Standard 103–2007, ''Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boilers.'' sections 7.2.2.4, 7.8, 9.2, and 11.3.7. These are the most up-to-date industry-accepted standards used by manufacturers when testing furnaces in the United States. DOE previously referenced earlier versions of these same industry standards.

X. Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this final rule.

List of Subjects in 10 CFR Part 431

Administrative practice and procedure, Confidential business information, Energy conservation, Incorporation by reference, Reporting and recordkeeping requirements.

Issued in Washington, DC, on June 30, 2015.

David T. Danielson,

Assistant Secretary of Energy, Energy Efficiency and Renewable Energy.

For the reasons set forth in the preamble, DOE amends part 431 of Chapter II, Subchapter D, of Title 10 of the Code of Federal Regulations as set forth below:

PART 431—ENERGY EFFICIENCY PROGRAM FOR CERTAIN COMMERCIAL AND INDUSTRIAL EQUIPMENT

■ 1. The authority citation for part 431 continues to read as follows:

Authority: 42 U.S.C. 6291–6317.

■ 2. Section 431.75 is amended by revising paragraphs (b) and (c) to read as follows:

§ 431.75 Materials incorporated by reference.

* * * * *

(b) *ANSI.* American National Standards Institute. 25 W. 43rd Street, 4th Floor, New York, NY 10036. (212) 642–4900 or go to *http://www.ansi.org.*

(1) ANSI Z21.47–2012, (''ANSI Z21.47'') ''*Standard for Gas-fired Central Furnaces,''* approved March 27, 2012, IBR approved for § 431.76.

(2) [Reserved]

(c) *ASHRAE.* American Society of Heating, Refrigerating and Air-Conditioning Engineers Inc., 1791 Tullie Circle NE., Atlanta, Georgia 30329, (404) 636–8400, or go to: *http://www.ashrae.org.*

(1) ANSI/ASHRAE Standard 103–2007, (''ASHRAE 103''), ''Method of Testing for Annual Fuel Utilization Efficiency of Residential Central Furnaces and Boilers,'' sections 7.2.2.4, 7.8, 9.2, and 11.3.7, approved June 27, 2007, IBR approved for § 431.76.

(2) [Reserved]

* * * * *

■ 3. Section 431.76 is revised to read as follows:

§ 431.76 Uniform test method for the measurement of energy efficiency of commercial warm air furnaces.

(a) *Scope.* This section covers the test requirements used to measure the energy efficiency of commercial warm air furnaces with a rated maximum input of 225,000 Btu per hour or more. On and after July 11, 2016, any representations made with respect to the energy use or efficiency of commercial warm air furnaces must be made in accordance with the results of testing pursuant to this section. At that time, you must use the relevant procedures in ANSI Z21.47 or UL 727–2006 (incorporated by reference, see § 431.75). On and after August 17, 2015 and prior to July 11, 2016, manufacturers must test commercial warm air furnaces in accordance with this amended section or the section as it appeared at 10 CFR part 430, subpart B in the 10 CFR parts 200 to 499 edition revised January 1, 2014. DOE notes that, because testing under this section is required as of July 11, 2016, manufacturers may wish to begin using this amended test procedure immediately. Any representations made with respect to the energy use or efficiency of such commercial warm air furnaces must be made in accordance with whichever version is selected.

(b) *Testing.* Where this section prescribes use of ANSI Z21.47 or UL 727–2006 (incorporated by reference, see § 431.75), perform only the procedures pertinent to the measurement of the steady-state efficiency, as specified in paragraph (c) of this section.

(c) *Test set-up.* (1) *Test set-up for gas-fired commercial warm air furnaces.* The test set-up, including flue requirement, instrumentation, test conditions, and measurements for determining thermal efficiency is as specified in sections 1.1 (Scope), 2.1 (General), 2.2 (Basic Test Arrangements), 2.3 (Test Ducts and Plenums), 2.4 (Test Gases), 2.5 (Test Pressures and Burner Adjustments), 2.6 (Static Pressure and Air Flow Adjustments), 2.39 (Thermal Efficiency), and 4.2.1 (Basic Test Arrangements for Direct Vent Central Furnaces) of ANSI Z21.47 (incorporated by reference, see § 431.75). The thermal efficiency test must be conducted only at the normal inlet test pressure, as specified in section 2.5.1 of ANSI Z21.47, and at the maximum hourly Btu input rating specified by the manufacturer for the product being tested.

(2) *Test setup for oil-fired commercial warm air furnaces.* The test setup, including flue requirement, instrumentation, test conditions, and measurement for measuring thermal efficiency is as specified in sections 1 (Scope), 2 (Units of Measurement), 3 (Glossary), 37 (General), 38 and 39 (Test Installation), 40 (Instrumentation, except 40.4 and 40.6.2 through 40.6.7, which are not required for the thermal efficiency test), 41 (Initial Test Conditions), 42 (Combustion Test—Burner and Furnace), 43.2 (Operation Tests), 44 (Limit Control Cutout Test), 45 (Continuity of Operation Test), and 46 (Air Flow, Downflow or Horizontal Furnace Test), of UL 727–2006 (incorporated by reference, see § 431.75). You must conduct a fuel oil analysis for heating value, hydrogen content, carbon content, pounds per gallon, and American Petroleum Institute (API) gravity as specified in section 8.2.2 of HI BTS–2000 (incorporated by reference, see § 431.75). The steady-state combustion conditions, specified in Section 42.1 of UL 727–2006, are attained when variations of not more than 5 °F in the

measured flue gas temperature occur for three consecutive readings taken 15 minutes apart.

(d) *Additional test measurements*—(1) *Measurement of flue CO_2 (carbon dioxide) for oil-fired commercial warm air furnaces.* In addition to the flue temperature measurement specified in section 40.6.8 of UL 727–2006 (incorporated by reference, see § 431.75), you must locate one or two sampling tubes within six inches downstream from the flue temperature probe (as indicated on Figure 40.3 of UL 727–2006). If you use an open end tube, it must project into the flue one-third of the chimney connector diameter. If you use other methods of sampling CO_2, you must place the sampling tube so as to obtain an average sample. There must be no air leak between the temperature probe and the sampling tube location. You must collect the flue gas sample at the same time the flue gas temperature is recorded. The CO_2 concentration of the flue gas must be as specified by the manufacturer for the product being tested, with a tolerance of ±0.1 percent. You must determine the flue CO_2 using an instrument with a reading error no greater than ±0.1 percent.

(2) *Procedure for the measurement of condensate for a gas-fired condensing commercial warm air furnace.* The test procedure for the measurement of the condensate from the flue gas under steady-state operation must be conducted as specified in sections 7.2.2.4, 7.8, and 9.2 of ASHRAE 103 (incorporated by reference, see § 431.75) under the maximum rated input conditions. You must conduct this condensate measurement for an additional 30 minutes of steady-state operation after completion of the steady-state thermal efficiency test specified in paragraph (c) of this section.

(e) *Calculation of thermal efficiency*—(1) *Gas-fired commercial warm air furnaces.* You must use the calculation procedure specified in section 2.39, Thermal Efficiency, of ANSI Z21.47 (incorporated by reference, see § 431.75).

(2) *Oil-fired commercial warm air furnaces.* You must calculate the percent flue loss (in percent of heat input rate) by following the procedure specified in sections 11.1.4, 11.1.5, and 11.1.6.2 of the HI BTS–2000 (incorporated by reference, see § 431.75). The thermal efficiency must be calculated as: Thermal Efficiency (percent) = 100 percent − flue loss (in percent).

(f) *Procedure for the calculation of the additional heat gain and heat loss, and adjustment to the thermal efficiency, for a condensing commercial warm air furnace.* (1) You must calculate the latent heat gain from the condensation of the water vapor in the flue gas, and calculate heat loss due to the flue condensate down the drain, as specified in sections 11.3.7.1 and 11.3.7.2 of ASHRAE 103 (incorporated by reference, see § 431.75), with the exception that in the equation for the heat loss due to hot condensate flowing down the drain in section 11.3.7.2, the assumed indoor temperature of 70 °F and the temperature term T_{OA} must be replaced by the measured room temperature as specified in section 2.2.8 of ANSI Z21.47 (incorporated by reference, see § 431.75).

(2) *Adjustment to the thermal efficiency for condensing furnaces.* You must adjust the thermal efficiency as calculated in paragraph (e)(1) of this section by adding the latent gain, expressed in percent, from the condensation of the water vapor in the flue gas, and subtracting the heat loss (due to the flue condensate down the drain), also expressed in percent, both as calculated in paragraph (f)(1) of this section, to obtain the thermal efficiency of a condensing furnace.

■ 4. Section 431.92 is amended by adding in alphabetical order the definition of ''water-source heat pump'' to read as follows:

§ 431.92 Definitions concerning commercial air conditioners and heat pumps.

* * * * *

Water-source heat pump means a single-phase or three-phase reverse-cycle heat pump that uses a circulating water loop as the heat source for heating and as the heat sink for cooling. The main components are a compressor, refrigerant-to-water heat exchanger, refrigerant-to-air heat exchanger, refrigerant expansion devices, refrigerant reversing valve, and indoor fan. Such equipment includes, but is not limited to, water-to-air water-loop heat pumps.

■ 5. Section 431.97 is amended by:

■ a. Revising paragraph (b);

■ b. Redesignating Tables 4 through 8 in paragraphs (c), (d), (e) and (f), as Tables 5 through 9 respectively; and

■ c. Revising the introductory text of paragraph (c).

The revisions read as follows:

§ 431.97 Energy efficiency standards and their compliance dates.

* * * * *

(b) Each commercial air conditioner or heat pump (not including single package vertical air conditioners and single package vertical heat pumps, packaged terminal air conditioners and packaged terminal heat pumps, computer room air conditioners, and variable refrigerant flow systems) manufactured on or after the compliance date listed in the corresponding table must meet the applicable minimum energy efficiency standard level(s) set forth in Tables 1, 2, 3, and 4 of this section.

TABLE 1 TO § 431.97—MINIMUM COOLING EFFICIENCY STANDARDS FOR AIR-CONDITIONING AND HEATING EQUIPMENT (NOT INCLUDING SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND SINGLE PACKAGE VERTICAL HEAT PUMPS, PACKAGED TERMINAL AIR CONDITIONERS AND PACKAGED TERMINAL HEAT PUMPS, COMPUTER ROOM AIR CONDITIONERS, AND VARIABLE REFRIGERANT FLOW MULTI-SPLIT AIR CONDITIONERS AND HEAT PUMPS)

Equipment category	Cooling capacity	Sub-category	Heating type	Efficiency level	Compliance date: equipment manufactured on and after. . .
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Split-System).	<65,000 Btu/h ...	AC	All	SEER = 13	June 16, 2008.
		HP	All	SEER = 13	June 16, 2008 [1].
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Single-Package).	<65,000 Btu/h ...	AC	All	SEER = 13	June 16, 2008 [1].

TABLE 1 TO § 431.97—MINIMUM COOLING EFFICIENCY STANDARDS FOR AIR-CONDITIONING AND HEATING EQUIPMENT (NOT INCLUDING SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND SINGLE PACKAGE VERTICAL HEAT PUMPS, PACKAGED TERMINAL AIR CONDITIONERS AND PACKAGED TERMINAL HEAT PUMPS, COMPUTER ROOM AIR CONDITIONERS, AND VARIABLE REFRIGERANT FLOW MULTI-SPLIT AIR CONDITIONERS AND HEAT PUMPS)—Continued

Equipment category	Cooling capacity	Sub-category	Heating type	Efficiency level	Compliance date: equipment manufactured on and after. . .
		HP	All	SEER = 13	June 16, 2008 [1].
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥65,000 Btu/h and <135,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 11.2	January 1, 2010.
			All Other Types of Heating	EER = 11.0	January 1, 2010.
		HP	No Heating or Electric Resistance Heating.	EER = 11.0	January 1, 2010.
			All Other Types of Heating	EER = 10.8	January 1, 2010.
Large Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥135,000 Btu/h and <240,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 11.0	January 1, 2010.
			All Other Types of Heating	EER = 10.8	January 1, 2010.
		HP	No Heating or Electric Resistance Heating.	EER = 10.6	January 1, 2010.
			All Other Types of Heating	EER = 10.4	January 1, 2010.
Very Large Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥240,000 Btu/h and <760,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 10.0	January 1, 2010.
			All Other Types of Heating	EER = 9.8	January 1, 2010.
		HP	No Heating or Electric Resistance Heating.	EER = 9.5	January 1, 2010.
			All Other Types of Heating	EER = 9.3	January 1, 2010.
Small Commercial Package Air-Conditioning and Heating Equipment (Water-Cooled).	<65,000 Btu/h	AC	All	EER = 12.1	October 29, 2003.
	≥65,000 Btu/h and <135,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 12.1	June 1, 2013.
			All Other Types of Heating	EER = 11.9	June 1, 2013.
Large Commercial Package Air-Conditioning and Heating Equipment (Water-Cooled).	≥135,000 and <240,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 12.5	June 1, 2014.
			All Other Types of Heating	EER = 12.3	June 1, 2014.
Very Large Commercial Package Air-Conditioning and Heating Equipment (Water-Cooled).	≥240,000 and <760,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 12.4	June 1, 2014.
			All Other Types of Heating	EER = 12.2	June 1, 2014.
Small Commercial Package Air-Conditioning and Heating Equipment (Evaporatively-Cooled).	<65,000 Btu/h	AC	All	EER = 12.1	October 29, 2003.
	≥65,000 and <135,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 12.1	June 1, 2013.
			All Other Types of Heating	EER = 11.9	June 1, 2013.
Large Commercial Package Air-Conditioning and Heating Equipment (Evaporatively-Cooled).	≥135,000 and <240,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 12.0	June 1, 2014.
			All Other Types of Heating	EER = 11.8	June 1, 2014.
Very Large Commercial Package Air-Conditioning and Heating Equipment (Evaporatively-Cooled).	≥240,000 and <760,000 Btu/h.	AC	No Heating or Electric Resistance Heating.	EER = 11.9	June 1, 2014.
			All Other Types of Heating	EER = 11.7	June 1, 2014.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Water-Source: Water-to-Air, Water-Loop).	<17,000 Btu/h	HP	All	EER = 11.2	October 29, 2003 [2].
	≥17,000 Btu/h and <65,000 Btu/h.	HP	All	EER = 12.0	October 29, 2003 [2].

TABLE 1 TO § 431.97—MINIMUM COOLING EFFICIENCY STANDARDS FOR AIR-CONDITIONING AND HEATING EQUIPMENT (NOT INCLUDING SINGLE PACKAGE VERTICAL AIR CONDITIONERS AND SINGLE PACKAGE VERTICAL HEAT PUMPS, PACKAGED TERMINAL AIR CONDITIONERS AND PACKAGED TERMINAL HEAT PUMPS, COMPUTER ROOM AIR CONDITIONERS, AND VARIABLE REFRIGERANT FLOW MULTI-SPLIT AIR CONDITIONERS AND HEAT PUMPS)—Continued

Equipment category	Cooling capacity	Sub-category	Heating type	Efficiency level	Compliance date: equipment manufactured on and after. . .
	≥65,000 Btu/h and <135,000 Btu/h.	HP	All	EER = 12.0	October 29, 2003 [2].

[1] And manufactured before January 1, 2017. See Table 3 of this section for updated efficiency standards.
[2] And manufactured before October 9, 2015. See Table 3 of this section for updated efficiency standards.

TABLE 2 TO § 431.97—MINIMUM HEATING EFFICIENCY STANDARDS FOR AIR-CONDITIONING AND HEATING EQUIPMENT (HEAT PUMPS)

Equipment category	Cooling capacity	Efficiency level	Compliance date: equipment manufactured on and after. . .
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Split-System).	<65,000 Btu/h	HSPF = 7.7	June 16, 2008.[1]
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Single-Package).	<65,000 Btu/h	HSPF = 7.7	June 16, 2008.[1]
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥65,000 Btu/h and <135,000 Btu/h.	COP = 3.3	January 1, 2010.
Large Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥135,000 Btu/h and <240,000 Btu/h.	COP = 3.2	January 1, 2010.
Very Large Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled).	≥240,000 Btu/h and <760,000 Btu/h.	COP = 3.2	January 1, 2010.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Water-Source: Water-to-Air, Water-Loop).	<135,000 Btu/h	COP = 4.2	October 29, 2003.[2]

[1] And manufactured before January 1, 2017. See Table 3 of this section for updated efficiency standards.
[2] And manufactured before October 9, 2015. See Table 3 of this section for updated efficiency standards.

TABLE 3 TO § 431.97—UPDATES TO THE MINIMUM COOLING EFFICIENCY STANDARDS FOR CERTAIN AIR-CONDITIONING AND HEATING EQUIPMENT

Equipment category	Cooling capacity	Sub-category	Heating type	Efficiency level	Compliance date: equipment manufactured on and after
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Split-System).	<65,000 Btu/h	AC	All	SEER = 13.0	June 16, 2008.
		HP	All	SEER = 14.0	January 1, 2017.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Single-Package).	<65,000 Btu/h	AC	All	SEER = 14.0	January 1, 2017.
		HP	All	SEER = 14.0	January 1, 2017.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Water-Source: Water-to-Air, Water-Loop).	<17,000 Btu/h	HP	All	EER = 12.2	October 9, 2015.
	≥17,000 Btu/h and <65,000 Btu/h.	HP	All	EER = 13.0	October 9, 2015.
	≥65,000 Btu/h and <135,000 Btu/h.	HP	All	EER = 13.0	October 9, 2015.

TABLE 4 TO § 431.97—UPDATES TO THE MINIMUM HEATING EFFICIENCY STANDARDS FOR CERTAIN AIR-CONDITIONING AND HEATING EQUIPMENT (HEAT PUMPS)

Equipment category	Cooling capacity	Efficiency level	Compliance date: equipment manufactured on and after . . .
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Split-System).	<65,000 Btu/h	HSPF = 8.2	January 1, 2017.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Air-Cooled, 3-Phase, Single-Package).	<65,000 Btu/h	HSPF = 8.0	January 1, 2017.
Small Commercial Packaged Air-Conditioning and Heating Equipment (Water-Source: Water-to-Air, Water-Loop).	<135,000 Btu/h	COP = 4.3	October 9, 2015.

(c) Each packaged terminal air conditioner (PTAC) and packaged terminal heat pump (PTHP) manufactured on or after January 1, 1994, and before October 8, 2012 (for standard size PTACs and PTHPs) and before October 7, 2010 (for non-standard size PTACs and PTHPs) must meet the applicable minimum energy efficiency standard level(s) set forth in Table 5 of this section. Each PTAC and PTHP manufactured on or after October 8, 2012 (for standard size PTACs and PTHPs) and on or after October 7, 2010 (for non-standard size PTACs and PTHPs) must meet the applicable minimum energy efficiency standard level(s) set forth in Table 6 of this section.

* * * * *

■ 6. Section 431.110 is amended by revising the table to read as follows:

§ 431.110 Energy conservation standards and their effective dates.

* * * * *

Equipment category	Size	Energy conservation standard [a]		
		Maximum standby loss [c] (equipment manufactured on and after October 29, 2003) [b]	Minimum thermal efficiency (equipment manufactured on and after October 29, 2003 and before October 9, 2015) [b]	Minimum thermal efficiency (equipment manufactured on and after October 9, 2015) [b]
Electric storage water heaters	All	$0.30 + 27/V_m$ (%/hr)	N/A	N/A
Gas-fired storage water heaters	≤155,000 Btu/hr	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	80%	80%
	>155,000 Btu/hr	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	80%	80%
Oil-fired storage water heaters	≤155,000 Btu/hr	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	78%	80%
	>155,000 Btu/hr	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	78%	80%
Gas-fired instantaneous water heaters and hot water supply boilers.	<10 gal	N/A	80%	80%
	≥10 gal	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	80%	80%
Oil-fired instantaneous water heaters and hot water supply boilers.	<10 gal	N/A	80%	80%
	≥10 gal	$Q/800 + 110(V_r)^{1/2}$ (Btu/hr)	78%	78%

Equipment Category	Size	Minimum thermal insulation
Unfired hot water storage tank	All	R–12.5

[a] V_m is the measured storage volume, and V_r is the rated volume, both in gallons. Q is the nameplate input rate in Btu/hr.
[b] For hot water supply boilers with a capacity of less than 10 gallons: (1) The standards are mandatory for products manufactured on and after October 21, 2005, and (2) products manufactured prior to that date, and on or after October 23, 2003, must meet either the standards listed in this table or the applicable standards in subpart E of this part for a ''commercial packaged boiler.''
[c] Water heaters and hot water supply boilers having more than 140 gallons of storage capacity need not meet the standby loss requirement if: (1) The tank surface area is thermally insulated to R–12.5 or more; (2) a standing pilot light is not used; and (3) for gas or oil-fired storage water heaters, they have a fire damper or fan assisted combustion.

Note: The following letter will not appear in the Code of Federal Regulations.

March 24, 2015

Anne Harkavy

Deputy General Counsel for Litigation, Regulation and Enforcement

U.S. Department of Energy Washington, DC

Dear Deputy General Counsel Harkavy: I am responding to your January 2, 2015 letter seeking the views of the Attorney General about the potential impact on competition of proposed energy conservation standards for certain types of commercial heating, air-conditioning, and water-heating equipment. Your request was submitted under Section 325(o)(2)(B)(i)(V) of the Energy Policy and Conservation Act, as amended 42 U.S.C. 6295(o)(2)(B)(i)(V), which requires the Attorney General to make a determination of the impact of any lessening of competition that is likely to result from the imposition of proposed energy conservation standards. The Attorney General's responsibility for responding to requests from other departments about the effect

of a program on competition has been delegated to the Assistant Attorney General for the Antitrust Division in 28 CFR 0.40(g).

In conducting its analysis, the Antitrust Division examines whether a proposed standard may lessen competition, for example, by substantially limiting consumer choice, by placing certain manufacturers at an unjustified competitive disadvantage, or by inducing avoidable inefficiencies in production or distribution of particular products. A lessening of competition could result in higher prices to manufacturers and consumers, and perhaps thwart the intent of the revised standards by inducing substitution to less efficient products.

We have reviewed the proposed standards contained in the Notice of Proposed Rulemaking (80 FR January 8, 2015) (NOPR). We have also reviewed supplementary information submitted to the Attorney General by the Department of Energy, including a transcript of the public meeting held on the proposed standards on February 6, 2015 Based on this review, our conclusion is that the proposed energy conservation standards for commercial heating, air-conditioning, and water-heating equipment are unlikely to have a significant adverse impact on competition.

Sincerely,

William J. Baer

[FR Doc. 2015–16927 Filed 7–16–15; 8:45 am]

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Part III

Federal Communications Commission

47 CFR Part 54

Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund; Proposed Rule

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[WC Docket Nos. 11–42, 09–197, 10–90; FCC 15–71]

Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In this document, the Federal Communications Commission (the Commission) seeks to rebuild the current framework of the Lifeline program and continue its efforts to modernize the Lifeline program so that all consumers can utilize advanced networks.

DATES: Comments are due August 17, 2015. Reply comments are due September 15, 2015.

ADDRESSES: You may submit comments, identified by [docket number and/or rulemaking number], by any of the following methods:

▪ *Federal Communications Commission's Web site: http://apps.fcc.gov/ecfs/.* Follow the instructions for submitting comments.

▪ *Mail: [Optional: Include the mailing address for paper, disk, or CD–ROM submissions needed/requested by your Bureau or Office. Do not include the Office of the Secretary's mailing address here.]*

▪ *People with Disabilities:* Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by email: *FCC504@fcc.gov* or phone: 202–418–0530 or TTY: 202–418–0432.

For detailed instructions for submitting comments and additional information on the rulemaking process, see the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Jonathan Lechter, Wireline Competition Bureau, (202) 418–7400 or TTY: (202) 418–0484.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Second Further Notice of Proposed Rulemaking (Second FNPRM) in WC Docket Nos. 11–42, 09–197, 10–90; FCC 15–71, adopted on June 18, 2015 and released on June 22, 2015. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 12th Street SW., Washington, DC 20554 or at the following Internet address: *https://www.fcc.gov/document/fcc-releases-lifeline-reform-and-modernization-item.*

Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415 and 1.419, interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121 (May 1, 1998).

▪ *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: *http://apps.fcc.gov/ecfs/.*

▪ *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

▪ All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8 a.m. to 7 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of *before* entering the building.

▪ Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

▪ U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (tty).

I. Introduction

1. For nearly 30 years, the Lifeline program has ensured that qualifying low-income Americans have the opportunities and security that voice service brings, including being able to find jobs, access health care, and connect with family. As the Commission explained at the program's inception, ''[i]n many cases, particularly for the elderly, poor, and disabled, the telephone [has] truly [been] a lifeline to the outside world.'' Thus, ''[a]ccess to telephone service has [been] crucial to full participation in our society and economy which are increasingly dependent upon the rapid exchange of information.'' In 1996, Congress recognized the importance and success of the program and enshrined its mission into the Telecommunications Act of 1996 (1996 Act). Over time, the Lifeline program has evolved from a wireline-only program, to one that supports both wireless and wireline voice communications. Consistent with the Commission's statutory mandate to provide consumers in all regions of the nation, including low-income consumers, with access to telecommunications and information services, the program must continue to evolve to reflect the realities of the 21st Century communications marketplace in a way that ensures both the beneficiaries of the program, as well as those who pay into the universal service fund (USF or Fund), are receiving good value for the dollars invested. The purpose of the Lifeline program is to provide a hand up, not a hand out, to those low-income consumers who truly need assistance connecting to and remaining connected to telecommunications and information services. The program's real success will be evident by the stories of Lifeline beneficiaries who move off of Lifeline because they have used the program as a stepping stone to improve their economic stability.

2. Over the past few years, the Lifeline program has become more efficient and effective through the combined efforts of the Commission and the states. The Lifeline program is heavily dependent on effective oversight at both the Federal and the state level and the Commission has partnered successfully with the states through the Federal-State Joint Board on Universal Service (Joint Board) to ensure that low-income Americans have affordable access to voice telephony service in every state and territory. In addition to working with the Commission on universal service policy initiatives on the Joint Board, many states administer their own low-income programs designed to ensure that their residents have affordable access to telephone service and connections. These activities provide the states the opportunity and

flexibility to develop new and innovative ways to make the Lifeline program more effective and efficient, and ultimately bring recommendations to the Commission for the implementation of improvements on a national scale. As the Commission continues to modernize the Lifeline program, it deeply values the input of the states as it, among other reforms, seeks to streamline the Lifeline administrative process and enhance the program.

3. The Commission's 2012 *Lifeline Reform Order,* 77 FR 12951, March 2, 2012, substantially strengthened protections against waste, fraud, and abuse; improved program administration and accountability; improved enrollment and consumer disclosures; and took some preliminary steps to modernize the program for the 21st Century. These reforms provided a much needed boost of confidence in the Lifeline program among the public and interested parties, increased accountability, and set the Lifeline program on an improved path to more effectively and efficiently provide vital services to the Nation's low-income consumers. In particular, the reforms have resulted in approximately $2.75 billion in savings from 2012 to 2014 against what would have been spent in the absence of reform. Moreover, in the time since the reforms were adopted, the size of the Lifeline program has declined steadily. In 2012, the Universal Service Administrative Company (USAC), the Administrator of the Fund, disbursed approximately $2.2 billion in Lifeline support payments compared to approximately $1.6 billion in Lifeline support payments in 2014. These reforms have been transformational in minimizing the opportunity for Lifeline funds to be used by anyone other than eligible low-income consumers.

4. The Commission is pleased that its previous reforms have taken hold and sustained the integrity of the Fund. However, the Commission's work is not complete. In light of the realities of the 21st Century communications marketplace, the Commission must overhaul the Lifeline program to ensure that it advances the statutory directive for universal service. At the same time, it must ensure that adequate controls are in place as it implements any further changes to the Lifeline program to guard against waste, fraud, and abuse. The Commission therefore, among other things, seeks to revise its documentation retention requirements and establish minimum service standards for any provider that receives a Lifeline subsidy. It also seeks to focus its efforts on targeting funding to those low-income consumers who really need it while at the same time shifting the burden of determining consumer eligibility for Lifeline support from the provider. The Commission further seeks to leverage efficiencies from other existing federal programs and expand its outreach efforts. By rebuilding the existing Lifeline framework, the Commission hopes to more efficiently and effectively address the needs of low-income consumers. It ultimately seeks to equip low-income consumers with the necessary tools and support system to realize the benefits of broadband independent of Lifeline support.

5. Three years ago, the Commission took important steps to reform the Lifeline program. The reforms, adopted in the 2012 *Lifeline Reform Order,* focused on changes to eliminate waste, fraud, and abuse in the Lifeline program by, among other things: Setting a savings target; creating a National Lifeline Accountability Database (NLAD) to prevent multiple carriers from receiving support for the same household; and confirming a one-per-household rule applicable to all consumers and Lifeline providers in the program. It also took preliminary steps to modernize the Lifeline program by, among other things: Adopting express goals for the program; establishing a Broadband Adoption Pilot Program; and allowing Lifeline support for bundled service plans combining voice and broadband or packages including optional calling features. Now, 30 years after the Lifeline program was founded, the Commission believes it is past time for a fundamental, comprehensive restructuring of the program.

6. In the Second FNPRM, the Commission seeks to rebuild the current framework of the Lifeline program and continue its efforts to modernize the Lifeline program so that all consumers can utilize advanced networks. The Commission is joined in this effort by the many stakeholders who have suggested that further programmatic changes are necessary. The Commission also takes steps to promote accountability and transparency for both low-income consumers and the public at-large, and modernize the program. The Commission's efforts in the Second FNPRM are consistent with the Commission's ongoing commitment to monitor, re-examine, reform, and modernize all components of the Fund to increase accountability and efficiency, while supporting broadband deployment and adoption across the Nation.

7. In the Second FNPRM, the Commission proposes and seeks public input on new and additional solutions for the Lifeline program, including reforms that would bring the program closer to its core purpose and promote the availability of modern services for low-income families. The Second FNPRM is organized into five sections and, within those sections, the Commission addresses various issues:

- In Section A, the Commission proposes to modernize the Lifeline program to extract the most value for consumers and the USF. First, it seeks comment on establishing minimum service levels for both broadband and voice service under the Lifeline program to ensure low-income consumers receive ''reasonably comparable'' service per Congress's directive in section 254(b) and proposes to retain the current subsidy to do so. Second, the Commission seeks comment on whether to set a budget for the program. Third, it seeks comment on a transition period to implement these reforms. Fourth, it seeks comment on the legal authority to support the inclusion of broadband into the Lifeline program.
- In Section B, the Commission proposes various ways to further reduce any incentive for waste, fraud, and abuse by having a third-party determine whether a consumer is eligible for Lifeline, and, in doing so, also streamline the eligibility process. First, it seeks comment on establishing a national verifier to make eligibility determinations and perform other functions related to the Lifeline program. Second, it seeks comment on leveraging efficiencies from other federal benefit programs and state agencies that determine eligibility, and work with such programs and agencies to educate consumers and potentially enroll them in the Lifeline program. Third, it seeks comment on whether a third-party entity can directly transfer Lifeline benefits to individual consumers. Fourth, it seeks comment on changing the programs through which consumers qualify for Lifeline to ensure that those consumers most in need can receive support. Fifth, it seeks comment on putting in place standards for eligibility documentation and state eligibility databases.
- In Section C, the Commission proposes ways to increase competition and innovation in the Lifeline marketplace. First, it seeks comment on ways to promote competition among Lifeline providers by streamlining the eligible telecommunications carrier (ETC) designation process. Second, it seeks comment on whether to permit Lifeline providers to opt-out of providing Lifeline supported service in certain circumstances. Third, it seeks

comment on other ways to increase participation in the Lifeline program. Fourth, it seeks comment on ways to encourage states to increase state Lifeline contributions. Fifth, it seeks comment on how to best utilize licensed and unlicensed spectrum bands to provide broadband service to low-income consumers. Sixth, as an alternative to streamlining the Commission's current ETC designation process, it seeks comment on creating a new designation process for participation in Lifeline.

- In Section D, the Commission proposes measures to enhance Lifeline service and update the Lifeline rules to enhance consumer protections and reflect the manner in which consumers currently use Lifeline service. First, it seeks comment on amending its rules to treat the sending of text messages as usage of Lifeline service and, thus, grants in part a petition filed by TracFone Wireless, Inc. (TracFone). Second, it proposes to adopt procedures to allow subscribers to de-enroll from Lifeline upon request. Third, it seeks comment on ways to increase Lifeline provider participation in Wireless Emergency Alerts (WEA).
- In Section E, the Commission proposes a number of ways to increase the efficient administration of the Lifeline program by, among other things, seeking comment on: Changing Tribal enhanced support; enhancing the requirements for electronic signatures; using subscriber data in the NLAD to calculate Lifeline provider support; and rules to minimize disruption to Lifeline subscribers upon the transfer of control of Lifeline providers.

II. Second Further Notice of Proposed Rulemaking

8. In the Second FNRPM, the Commission proposes to modernize and restructure the Lifeline program. First, it proposes to establish minimum service levels for voice and broadband Lifeline service to ensure value for our USF dollars and more robust services for low-income Americans consistent with the Commission's obligations in section 254. Second, it seeks to reset the Lifeline eligibility rules. Third, to encourage increased competition and innovation in the Lifeline market, it seeks comment on ensuring the effectiveness of its administrative rules while also ensuring that they are not unnecessarily burdensome. Fourth, the Commission examines ways to enhance consumer protection. Finally, it seeks comment on other ways to improve administration and ensure efficiency and accountability in the program.

A. The Establishment of Minimum Service Standards

9. The 2012 *Lifeline Reform Order* established clear goals to enable the Commission to determine whether Lifeline is being used for its intended purpose. Specifically the Commission committed itself to: (1) Ensuring the availability of voice service for low-income Americans; (2) ensuring the availability of broadband service for low-income Americans; and (3) minimizing the contribution burden on consumers and businesses. In an effort to further these goals and extract the most value possible from the Lifeline subsidy, the Commission proposes to establish minimum service levels for all Lifeline service offerings to ensure the availability of robust services for low-income consumers. The service standards the Commission proposes to adopt may require low-income consumers to contribute personal funds for such robust service. The Commission seeks comment on these proposals.

1. Minimum Service Standards for Voice

10. While consumers increasingly are migrating to data, voice communications remain essential to daily living and may literally provide a lifeline to 911 and health care providers. Despite years of participation by multiple providers offering voice service in competition with one another, we do not see meaningful improvements in the available offerings. It has been over three years since the 2012 *Lifeline Reform Order* and the standard Lifeline market offering for prepaid wireless service has remained largely unchanged at 250 minutes at no cost to the recipient. Unlike competitive offerings for non-Lifeline customers, minutes and service plans for Lifeline customers have largely been stagnant. The fact that service levels have not increased over time may also suggest that the current program is not structured to drive sufficient competition. The Commission therefore believes it is necessary to establish minimum voice standards to ensure maximum value for each dollar of universal service and that consumers receive reasonable comparable service, and seeks comment on this analysis.

2. Minimum Service Standards for Broadband

11. The ability to use and participate in the economy increasingly requires broadband for education, health care, public safety, and for persons with disabilities to communicate on par with their peers. As the Commission ensures that Lifeline is restructured for the 21st Century, it wants to ensure that any Lifeline offering is sufficient for consumers to participate in the economy.

12. *Education.* As the Commission recognized in the E-rate (more formally known as the schools and libraries universal service support program) modernization proceeding, ''schools and libraries require high-capacity broadband connections to take advantage of digital learning technologies that hold the promise of substantially improving educational experiences and expanding opportunity for students, teachers, parents and whole communities.'' Within schools, ''high-capacity broadband connectivity . . . is transforming learning by providing customized teaching opportunities, giving students and teachers access to interactive content, and offering assessments and analytics that provide students, their teachers, and their parents, real-time information about student performance.'' *Modernizing the E-rate Program for Schools and Libraries,* WC Docket No. 13–184, Notice of Proposed Rulemaking, 28 FCC Rcd 11304, 11305, para. 1 (2013). However, the need for connectivity for educational purposes does not necessarily stop at the end of the school day. Teachers often assign work to their students that requires broadband connectivity outside of school hours to more efficiently and effectively complete the assignment or project. Homework assignments requiring access to the Internet allow teachers and students to work outside the bounds of paper and pencil—students can be assigned additional and individualized problems and concepts to practice specific skills through interactive learning environments that provide students instant feedback. Many homework assignments also require students to integrate technology when creating their own content, such as developing reports, designing PowerPoint presentations, or manipulating data. Online assignments and assessments also provide for immediate feedback from instructors, thus allowing teachers to better direct their focus when teaching and assessing individual student needs. Students who lack broadband access outside of the classroom find it difficult and sometimes impossible to complete their homework assignments and to broadly explore the subjects they are learning in school. As a result, lack of Internet access can lead to reduced academic preparedness and decreased academic performance and classroom engagement

in school. Lack of Internet access also puts some students at a competitive disadvantage with respect to their peers, and limits their educational horizons. As a result, student access to the Internet has become a necessity, not a luxury.

13. Unfortunately, many low-income students do not have access to the Internet at home. Computer ownership and Internet use strongly correlate with a household's income. The higher a household's income, the more likely it is for that household to subscribe to broadband service. In 2013, about 95 percent of the households with incomes of $150,000 or more reported connecting to the Internet, compared to about 48 percent of the households making less than $25,000. There are approximately 29 million American households with school-age children (ages 6 to 17). Approximately 31 percent of those American households with incomes below $50,000 do not have a high-speed connection at home. Thus, while low-income students may be connected to the Internet while at school, they become digitally disconnected immediately upon exiting the school building. As noted in the National Broadband Plan, ''[o]nline educational systems are rapidly taking learning outside the classroom, creating a potential situation where students with access to broadband at home will have an even greater advantage over those students who can only access these resources at their public schools and libraries.'' This lack of access to technology and broadband in low-income households has created a ''homework gap'' between low-income students and the rest of the student population.

14. The ''homework gap'' puts low-income students at a disadvantage. ''If you are a student in a household without broadband, just getting homework done is hard, and applying for a scholarship is challenging.'' Many students who do not have access to the Internet at home head to the library after school and on weekends in order to utilize the library's broadband service to complete assigned homework. However, library hours are limited and even when they are open, they may not be able to fully accommodate the needs of their users. Thus, in many communities, after the library and the computer labs close for the night, there is often only one place for students to go without Internet access at home—the local McDonald's. Some schools have attempted to extend the school day to help students with their homework or partner with after-school programs to ensure that students have the ability and resources needed to complete their assignments, but not all can do so. Moreover, after school programs cannot provide students with the same kind of flexibility and opportunity to access the Internet as those students who do have home access. As technology continues to evolve and teachers continue to integrate technology into their teaching by supplementing their in-class projects and instruction with projects and assignments necessitating Internet access, the ''homework gap'' presumably will widen as many students in low-income households, with a lack of home Internet access, struggle to complete assigned homework and projects.

15. Various successful initiatives have been improving broadband access to underserved groups, some of which contain low-income student populations. For example, Mobile Beacon's Internet Inclusion Initiative, in partnership with EveryoneOn, provides students who do not have Internet access at home with unlimited 4G access and low-cost computers in order to put them on the path to digital opportunity and learning. Comcast's Internet Essentials program provides qualifying low-income households with affordable access to high-speed service from their homes. Additionally, in conjunction with the Knight Foundation, The New York Public Library (NYPL) has implemented a pilot program to expand its efforts to bridge the digital divide by allowing the public to borrow portable Wi-Fi hotspot devices for up to one year (students can borrow the devices for the school year). The NYPL hopes to eventually provide 10,000 hotspots to people involved in their education programs. The Chicago Public Library (CPL) also has implemented a pilot program to provide members of underserved communities in three locations access to both portable WiFi and laptop computers. During the course of the two year pilot program, CPL plans to make 300–500 MiFi hotspots available in several library locations in areas with less than 50 percent broadband adoption rates. While these initiatives are working toward closing the ''digital divide'' and expanding broadband access to underserved populations, including low-income students, none of these initiatives provide for a comprehensive, nationwide solution addressing the ''homework gap'' issue.

16. Building upon the Commission's recent modernization of the E-rate program, where the Commission, among other things, took major steps to close the WiFi gap within schools and libraries, the Commission recognizes the valuable role that the Lifeline program can play beyond the school day in the lives of elementary and secondary-school students living in low-income households. Lifeline can help to extend broadband access beyond the school walls and the school day to ensure that low-income students do not become digitally disconnected once they leave the school building. Lifeline can help to ensure that low-income students have access to the resources needed to complete their research and homework assignments, and compete in the digital age. The Commission thus seeks comments on how the Lifeline program can address the ''homework gap'' issue—the gap between those households with school-age children with home broadband access to complete their school assignments and those low-income households with school-age children without home broadband access. The Commission recognizes that no one program or entity can solve this problem on its own and what is needed is many different organizations, vendors, and communities working together to address this problem. The Commission therefore seeks creative solutions to addressing this gap so that eligible low-income students are provided with affordable, reliable, and quality broadband services in order to effectively complete their homework, and have the same opportunity as their classmates to reach their full potential and feel like they are part of the academic conversation.

17. *Participation in Lifeline by eligible households with school children.* Recognizing that when the Lifeline program provides support for broadband services, it will play an important role in closing the ''homework gap'' by helping children in low income families obtain the educational advantage associated with having home broadband service, the Commission seeks comment on how best to ensure that low income households that include school children are aware of and have the opportunity to participate in a broadband-focused Lifeline program. As an initial matter, the Commission seeks comments on how best to identify such households.

18. The Commission first seeks comments on data it can use from the schools and libraries universal service support program (the E-rate program) to assist its efforts. Currently, school districts use student eligibility for free and reduced school lunches through the National School Lunch Program (NSLP) or an alternative discount mechanism as a proxy for poverty when calculating discounts on eligible services received under the E-rate program. Thus, when

requesting services under the E-rate program, a school district provides the total number of students in the school district eligible for NSLP and the calculated discount rate. How might the Commission use this information to ensure that Lifeline eligible households with school children are aware of the opportunity provided by the Lifeline program? How does the fact that E-rate discount levels are based on the percentage of children eligible for both free and reduced school lunches impact the usefulness of E-rate data for identifying households that are eligible for Lifeline support which is limited to lower-income households?

19. The Commission seeks comments on sources of data that would be useful for identifying Lifeline eligible households with school-age children. Eligibility for free school lunches through the NSLP is already one way to demonstrate eligibility for the Lifeline program. Schools and school districts collect NSLP eligibility information, but they are already burdened with numerous administrative responsibilities and the introduction of other tasks may cause additional administrative burdens. In addition, more and more school districts have moved towards the community eligibility option in the NSLP program, which saves them from collecting individual NSLP eligibility data. How will the movement away from individual NSLP data collection affect the Commission's ability to identify Lifeline eligible households with school children? Are the state databases that directly certify some students' eligibility to participate in NSLP a possible source of information that could help the Commission identify Lifeline eligible households with school children? Are there other non-burdensome methods to identify Lifeline eligible households with students and make sure that those households with school children are aware of the opportunity to receive Lifeline support?

20. The Commission also seeks comments on how it can incentivize Lifeline providers to reach out to those households with school children to provide Lifeline supported services. Commenters should indicate what, if any, practical or administrative implications there may be to utilizing existing data provided to USAC under the E-rate program for this purpose. Are there other ways to use the E-rate program and the data the Commission already collects to address the ''homework gap''?

21. *Health Care.* Congress directed the Commission to consider the extent to which ''supported'' services are ''essential to . . . public health.'' Health care is a necessity that can represent a considerable barrier to low-income consumers due to the time and resource burdens it often presents to patients. However, when patients utilize broadband in the interest of their personal health, it not only improves their own lifestyles, but also reduces health care-related costs for both the patient and the health care providers. Reduction in health care related costs represents a significant benefit for all consumers, but particularly for low-income consumers, who too often must make difficult decisions when deciding how and where to spend the limited money they have. For example, telehealth, the ability to connect with health care professionals remotely via broadband, has significant potential to enrich a patient's life by reducing the need for frequent visits to the doctor and by utilizing e-visits and remote telemetry monitoring. The Veterans Administration conducted a study of over 17,000 patients with chronic conditions, and found that by using telehealth applications, bed days of care were reduced by 25 percent and hospital admissions were reduced by 19 percent. Even when a patient does not directly interact with a health care professional, health care software accessed through broadband can also provide significant benefits to patients. Research has shown that those with a lower socioeconomic status are more prone to develop type 2 diabetes. But a study of type 2 diabetes patients concluded that utilization of software loaded onto broadband-capable mobile phones that provided mobile coaching in combination with blood glucose data, changes in lifestyle behaviors, and patient self-management substantially reduced negative symptoms of type 2 diabetes. Access to broadband can lead to better health care outcomes. The Commission seeks comment on additional broadband health care related initiatives that can significantly improve the health outcomes for low-income consumers.

22. *Individuals with Disabilities.* Broadband adds significant benefit to the daily lives of those with disabilities through ''access to a . . . universe of products, applications, and services that enhance lives, save money, facilitate innovation, and bolster health and well-being.'' *See* Letter from Douglas Orvis II, Counsel, Telecommunications for the Deaf and Hard of Hearing, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 11–42, at 1–2 (filed June 10, 2015) (TDI June 10, 2015 Letter). U.S. Chamber of Commerce, The Impact of Broadband on People with Disabilities at 2 (Dec. 2009). *http://www.onecommunity.org/wp-content/uploads/2010/01/BroadbandandPeoplewithDisabilities.pdf* (last visited May 26, 2015) (The Impact of Broadband on People with Disabilities). For example, broadband provides the ability to facilitate societal interaction and communications through email, instant messaging, and real-time video conferencing through services like Skype. In fact, individuals who are deaf or hard of hearing rely on video relay service (VRS) to the same extent that other consumers rely on voice service; therefore, broadband must be sufficiently robust to meet this need. Living with a disability often coincides with a lower socioeconomic status because of the limited ability to work, but broadband ''provides employment opportunities by enabling telecommuting and encourages entrepreneurship by providing a robust platform for conveniently launching and managing a home business[.]'' *See* The Impact of Broadband on People with Disabilities at 2. In addition, broadband significantly ''[e]nhances the number and types of educational opportunities available to people with disabilities by enabling a [significant] universe of distance learning applications.'' *See id.* The benefits of broadband to individuals with disabilities are countless, as broadband is a ''flexible and adaptable tool'' that can be used ''to deliver affordable, convenient, and effective services,'' and enable a ''range of social, economic, and health-related benefits.'' *See id.* at 1; *See* TDI June 10, 2015 Letter at 1–3. Due to the limiting nature of many physical and intellectual disabilities, broadband may be further out of reach for individuals with disabilities than the average consumer. The Commission seeks comment on how to ensure the benefits of broadband reach low-income individuals with disabilities. For example, are there unique outreach efforts or eligibility initiatives targeted towards individuals with disabilities that ensure the benefits of broadband are utilized by this community? Additionally, the Commission seeks comment on any data showing the use, benefits, and penetration of broadband for individuals with disabilities so that the Commission may identify trends across different types of communities and regions, particularly those that serve individuals with disabilities.

23. *Public Safety.* Congress directs the Commission to consider the extent to which ''supported'' services are ''essential to . . . public safety,'' and the

National Broadband Plan enumerated several benefits that broadband technologies provide to a cutting-edge public safety communications network. As the Plan observed, broadband ''can help public safety personnel prevent emergencies and respond swiftly when they occur,'' and ''can also provide the public with new ways of calling for help and receiving emergency information.'' The transition to Next Generation 911 (NG911) networks based on broadband technology holds the potential to improve access to 911 through services such as text-to-911, while providing public safety answering points (PSAPs) with more flexible and resilient options for routing 911 calls. In an NG911 environment, IP-based devices and applications will provide consumers with the ability to transmit and receive photos, video, text messages, and real-time telemetry information with first responders and other public-safety professionals. Broadband also ensures that consumers are notified of emergencies and disasters through advanced emergency alerts on a variety of platforms, including geographically-targeted Wireless Emergency Alerts warning wireless subscribers of imminent threats to safety in their area. Yet, for these services to be available when they are needed most, they must also be reliable and resilient, and must provide sufficient privacy and security for consumers to have confidence in their everyday use. Therefore, it is essential that all consumers, including low-income consumers, have access to broadband-capable devices that provide the ability to send and receive critical information, as well as broadband service with sufficient capacity, security, and reliability to be dependable in times of need. Through the Lifeline program, the Commission seeks to ensure that low-income consumers have access to critical broadband public safety communications during an emergency, and service levels comparable to those offered to other residential subscribers. The Commission emphasizes that providers must ensure that all Lifeline service offerings continue to be compliant with all applicable 911 requirements. The Commission seeks comments on the utilization of broadband by low-income consumers to receive public safety alerts and connect with public safety professionals.

24. *Low-Income Broadband Pilot Program.* In 2012, the Commission launched a pilot program to collect data on what policies might overcome the key broadband adoption barriers—cost, relevance, and digital literacy—for low-income consumers and how the Lifeline program could best be structured to provide support for broadband. Each pilot project provided support for broadband service to qualifying low-income consumers for 12 months. In selecting the pilot projects, Commission staff struck a balance between allowing providers enough flexibility in the design of the pilots and ensuring the structure of each project would result in data that would be statistically and economically relevant. On the one hand, the 14 pilot projects shared a set of common elements that reflect the current model of the Lifeline program—*e.g.,* all relied on existing ETCs to provide service, and the ETCs had to confirm that individuals participating in the pilot were eligible and qualified to receive Lifeline benefits. On the other hand, each project tested different subsidy amounts, conditions to receiving service, and different outreach and marketing strategies. The result was a highly diverse set of 14 funded pilot projects that implemented different strategies and provided a range of services across varying geographies.

25. The Wireline Competition Bureau (Bureau) prepared a report to assist the Commission in considering reforms to the Lifeline Program and released for public review and consumption all of the data reported by the participating carriers. The Broadband Pilot Report summarizes each of the 14 pilot projects and the data collected during the course of the projects. As shown from the data summarized in the Broadband Pilot Report, the pilot projects provide an informative perspective on how various policy tools can impact broadband adoption by low-income consumers. For example, patterns within the data indicate that cost to consumers does have an effect on adoption and which service plans they choose. Given the condition in the Pilot Program that participation was limited to consumers that had not subscribed to broadband within the last 60 days, Commission staff recognized that there was a risk of low enrollment in each of the projects relative to the initial provider projections. As a result of this limitation, providers had to market the limited-time project offerings to consumers that either could not afford broadband service or, until that time, did not understand the relevance of broadband. The Commission seeks comment on how this report and the underlying data will provide guidance to the Commission as it considers reforms to the Lifeline program.

26. *Current Offerings.* In the wireline market, some offerings specifically target low-income consumers and typically include a $10 per month broadband product. Participation often is limited to consumers who have not had wireline broadband service from the provider within a certain time period, have no past due bills, and meet certain income and other eligibility restrictions.

27. In the wireless market, direct-to-consumer broadband wireless plans are limited for low-income consumers, and generally require pricey top-ups for minimal broadband. However, low-income consumers are able to receive discounted service on either a smartphone plan or a mobile hotspot plan through some innovative plans. For about $10 per month, Mobile Beacon, a nonprofit licensee of EBS, provides mobile Internet to other nonprofit institutions. The Commission notes Mobile Beacon is not itself a direct-to-consumer wireless provider and consumers must have a relationship with a Mobile Beacon partner institution to receive service. Kajeet offers a similar service to schools, where the school pays a single low monthly fee for a hotspot, CIPA-compliant filtering software and network management, and 4G wireless service. Schools provide the devices to those students which they identify as most in need of connectivity at home.

3. Service Levels

28. The Commission proposes to establish minimum service levels for fixed and mobile voice and broadband service that Lifeline providers must offer to all Lifeline customers in order to be eligible to receive Lifeline reimbursement. The Commission also seeks comment on minimum standards for Tribal Lifeline, recognizing the additional support may allow for greater service offerings. The Commission believes taking such action will extract the maximum value for the program, benefitting both the recipients as well as the ratepayers who contribute to the USF. It also removes the incentive for providers to offer minimal, un-innovative services that benefit providers, who continue to receive USF support above their costs, more than consumers. The Commission also believes it is consistent with its statutory directives. The Commission seeks comment on this proposal.

a. Standard for Setting Minimum Service Levels

29. The Commission seeks comments on how to establish minimum service levels. The Commission looks first to the statute for guidance. Congress indicated that ''[q]uality services should be available at just, reasonable, and affordable rates.'' Specifically with

regard to low-income Americans, Congress directed that they should have ''access to telecommunications and information services, including interexchange services and advanced telecommunications and information services that are reasonably comparable to those services provided in urban areas.'' Congress also stated that, in defining supported services, the Commission should consider the extent to which such services ''are essential to education, public health, or public safety''; are ''subscribed to by a substantial majority of residential customers''; and are ''consistent with the public interest, convenience, and necessity.'' The Commission seeks comment on how to develop minimum standards based on these principles. In particular, would it be appropriate to develop an objective, data-based methodology for establishing such levels? Could the Commission establish an objective standard that could be updated on a regular basis? The Commission also seeks comment on minimum service levels for Tribal Lifeline. Given the higher monthly subsidy, the Commission expects more robust service and seeks comment on how to do so. The Commission seeks comment on these or other approaches.

30. Given that the Lifeline program is specifically targeted at affordability, the Commission seeks comment on how to ensure that the minimum service levels it proposes to adopt result in services that are affordable to low-income Americans. How should the Commission establish minimum service levels that result in affordable but ''reasonably comparable'' offerings?

b. Ensuring ''Reasonably Comparable'' Service for Voice and Broadband

31. The Commission next seeks comment on how minimum service standards based on statutory universal service principles could be applied to various Lifeline offerings to produce different service levels. The Commission seeks comments on whether and how service levels would vary between fixed and mobile broadband service. In addition, the Commission proposes to require providers to offer data-only broadband to Lifeline customers to ensure affordability of the service. In addition to the comment the Commission solicits below, the Commission seeks explicit comment from the states on its proposed course of action. As the Commission's partners in implementation and administration of the Lifeline program, any views or quantifiable data specifically from a state perspective would be invaluable to the Commission as it moves forward with these reforms.

32. *Voice-Only Service.* Some consumers may prefer to use their Lifeline discount for a voice-only service, and the Commission seeks comment on how to require providers to continue offering affordable stand-alone voice service to provide consumers' access to critical employment, health care, public safety, or educational opportunities. The Commission seeks comments on how requiring providers to offer stand-alone voice service affects providers' business models and affordability to the consumer.

33. In the 2012 *Lifeline Reform Order,* the Commission established the program goal of ensuring the availability of quality voice service for low-income consumers. Given the relatively stagnant Lifeline market offerings, the Commission believes that it is appropriate to establish minimum service levels for voice-only service. The Commission seeks comment on whether to establish a standard for mobile and/or fixed voice-only service based on objective data. What usage levels would result from these options? Since the cost of providing voice service has declined drastically, should the Commission require mobile providers to offer unlimited talk and text to Lifeline consumers to maximize the benefit of the Lifeline subsidy? What other approaches should the Commission consider?

34. The *17th Mobile Competition Report,* (DA 14–1862, released December 18, 2014) found that consumers average between 690 and 746 minutes per month, depending on the type of device they use. And according to Nielsen, the average monthly minutes-of-use for a postpaid consumer is 644. These figures suggest that a typical wireless voice consumer uses two-to-three times the amount of voice service offered on a standard plan by typical Lifeline wireless resellers and suggests that low-income consumers do not have comparable offerings. However, in California, where Lifeline consumers and providers benefit from an additional state subsidy, consumers may elect plans in progressively increasing tiers of minutes in exchange for providers receiving progressively larger combined state and federal subsidies. The Commission seeks comments on whether the Commission should adopt a similar framework The Commission also seeks comment on voice and text plans and whether it should use average usage as a baseline for minimum service. The Commission seeks comments on whether it should require unlimited talk and text for voice service.

35. The Commission seeks comments on how to ensure fixed voice service provides ''reasonably comparable'' service that is affordable for low-income consumers. Is there a price to the low-income consumer above which voice telephony service is no longer affordable?

36. A key component of ensuring service remains affordable to the end-user is ensuring Lifeline providers utilize universal service funds consistent with their intended purpose. The Commission seeks comment on whether Lifeline providers are currently passing on reductions in their costs to end-users. Specifically with respect to mobile voice service, the level of Lifeline service has not appreciably increased recently, while the cost per minute to wireless resellers has declined to less than two cents on the wholesale market. The per-minute cost for facilities-based providers is likely lower still. When the declines in costs are coupled with the average minutes of use and stagnant Lifeline service levels, it appears that Lifeline ETCs are not offering consumers ''innovative and sufficient service plans'' or passing on their greater efficiencies to consumers. The Commission seeks comment on these conclusions. Further, it notes that the Commission's rules state that federal universal service support should be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

37. *Fixed Broadband Service.* Next, the Commission seeks comments on the application of minimum service standards to fixed broadband offerings. Unlike mobile technologies, the prevailing benchmark for fixed broadband is the speed of the service. In addition to speed, the Commission needs to ensure that capacity is sufficient. The Commission seeks comments on whether the Commission should define an objective standard for fixed service by looking at what kinds of services are typically offered or subscribed to ''in urban areas'' or by a substantial majority of Americans. Could the Commission establish an objective standard that could be updated on a regular basis simply by examining new data about fixed broadband service? In the alternative, should the Commission look to the standard, as well as capacity and latency requirements, adopted in the Connect America Fund proceeding to determine the appropriate level of service? The Commission seeks comments on how to address data caps

and if it needs to set a minimum level of capacity for fixed broadband service. Should the Commission consider setting any minimum standards based on the FCC Form 477 data, which is based on what most residential consumers subscribe to? What other criteria should the Commission use? Should providers be required to make available any offering that is at or above a minimum speed to eligible low-income consumers?

38. *Mobile Broadband Service.* The Commission seeks comments on how to apply minimum service standards to mobile broadband offerings. It also seeks comment on whether the Commission should define an objective standard for mobile broadband service by looking at what kinds of services are typically offered or subscribed to ''in urban areas'' or by a substantial majority of Americans. For example, in December 2014, an average American consumer utilized roughly 1.8 GB of data across both 3G and 4G networks. Should a mobile minimum service standard be tied to this average, or a similar metric? Would it be more appropriate to set a standard tied to a different level of consumer usage? Should the Commission consider setting any minimum standards on criteria other than data usage? Today, mobile Lifeline providers may offer a specific service just for Lifeline but providers do not allow such customers to apply the Lifeline discount to other service offerings. Should providers be required to make available any offering that is at or above a minimum speed to eligible low-income consumers?

39. The Commission notes that low-income consumers that are more likely to only have mobile broadband service, likely due to affordability issues, may rely on that service more heavily than the majority of consumers who can offload some of their usage onto their residential fixed connection. The Commission seeks comments on how, if at all, this dynamic should affect its choice of minimum service levels.

40. The Commission seeks comments on how to ensure that this approach results in services that are affordable to low-income consumers. For example, the Commission understands that providers in the Lifeline market have developed their businesses based on the premise that Lifeline was a voice-only market, including the distribution of primarily voice-only handsets at a low price point. Therefore, the Commission seeks comment on whether it should take into account the cost of wireless Consumer Premises Equipment (CPE) passed on to consumers by Lifeline providers in determining whether a particular level of service is affordable. The Commission seeks comments on how these costs would influence affordability of mobile broadband service to low-income consumers.

41. *Minimum Service for Tribal Lifeline.* Low-income consumers living on Tribal lands may receive up to $34.25 per month in a Lifeline discount. Given the additional support, we expect that more robust service will be offered to consumers. The Commission seeks comments on establishing minimum levels of service for voice and broadband for low-income residents living on Tribal lands. The Commission seeks comment on the appropriate standards for mobile data as well as a fixed broadband service. What metric should be used and how should it evolve over time? The Commission notes that the Oklahoma Corporation Commission (OCC) requires wireless ETCs to provide a large number of minutes each month to Lifeline subscribers on Tribal lands, which is significantly higher than what ETCs typically offer to non-Tribal Lifeline consumers. Are other states considering similar minimum service levels on Tribal lands? More generally, what is the level of service provided to residents of Tribal lands, and how does it compare to consumers nationwide?

c. Updating Standards and Compliance

42. The Commission seeks comment on how to set appropriate minimum service levels that evolve with technology and innovation, and how to ensure compliance with those levels. A comparison of subscription rates from 2011 to 2013 show a steady increase in adoption for fixed wireline at 10/1 Mbps level of service. The Commission expects these increases in adoption will continue because carriers will continue to build out networks offering at least 10/1 Mbps service. At the same time, the Commission has not seen a decline in the utilization of wireline voice service, but an increase in wireless voice service. In light of this dynamic, the Commission believes it needs a mechanism to ensure that the minimum service levels it proposes to adopt stay relevant over time.

43. The Commission proposes to delegate to the Wireline Competition Bureau (Bureau) the responsibility for establishing and regularly updating a mechanism setting the minimum service levels that are tied to objective, publicly available data. The Commission seeks comment on this proposal. It also seeks comment on how best to regularly update service levels for both fixed and wireless voice and broadband services to ensure that Lifeline supports an ''evolving level'' of telecommunications service.

44. Alternatively, it may be appropriate to establish explicit procedures by which to ensure those minimum service levels are met and maintained. In the high-cost program, the Commission defined strict broadband performance metrics, and the Bureau recently sought comment on the best mechanism to measure these performance metrics. The Commission seeks comment on whether it would be reasonable to subject Lifeline providers to similar broadband measurement mechanisms.

45. The Commission also seeks comments on how to monitor and ensure compliance with any voice and broadband minimum service levels. Should this be part of an annual certification by Lifeline providers? Should offerings be part of any application to become a Lifeline provider? What information and records should be retained for an audit or review? Should consumer or other credible complaints result in an audit or review of a Lifeline provider provisioning Lifeline service? Should complaints to state/local regulatory agencies, the Commission, and/or public watchdog organizations trigger audits? Are there other events that should trigger an audit? Proposed audit triggers should address both ensuring that performance standards are met and minimizing administrative costs.

d. Support Level

46. The Commission proposes to retain the current, interim non-Tribal Lifeline support amount that the Commission adopted in the 2012 *Lifeline Reform Order,* but the Commission seeks to extract more value for low-income consumers from the subsidy. When it set the interim rate, the Commission sought comment on a permanent support amount that would best meet the Commission's goals. The Commission sought comment on a number of issues associated with establishing a permanent support amount, but received limited comments. Recently, GAO noted that the Commission has not established a permanent support amount. The Commission tentatively concludes that it should set a permanent support amount of $9.25, and seeks comment on this tentative conclusion. If the Commission sets a minimum service level where $9.25 is insufficient to cover broadband service, would an end-user charge be necessary? Since a central goal of the Lifeline program is affordability, how can the Commission assure both a sufficient level of

broadband service while also ensuring the service is affordable to the consumer? The Commission seeks comment on if or how bundles should affect the support level.

47. The Commission also seeks comment on whether the support amount should be reduced for Lifeline supported mobile voice-only service. The cost of provisioning wireless voice service has decreased significantly since the 2012 *Lifeline Reform Order.* Therefore, the Commission questions whether it is necessary to support mobile voice-only Lifeline service with a $9.25 subsidy, and the Commission seeks comments on the level of support needed for mobile voice-only service. The Commission also seeks comments on whether a different level of support would be appropriate for a voice and broadband bundle. If so, what would be appropriate?

48. *Broadband Connection Charge Reimbursement.* The Commission seeks comments on whether to provide a one-time reimbursement to Lifeline consumers to cover any up-front broadband connection charges for fixed residential service. The costs associated with connecting a low-income consumer to fixed broadband exceed the costs of connecting that same consumer to mobile broadband service. For example, the Commission finds that it is more likely that a technician would need to visit a location to connect the consumer to broadband than would be the case for mobile service, resulting in an up-front charge. Such fees may serve as a barrier for low-income consumers to adopt broadband, particularly if consumers pay an ongoing charge for robust Lifeline supported broadband service. The Commission also seeks comments on how best to protect the Fund from any waste, fraud, and abuse if the Commission implements a one-time reimbursement for connection charges. Additionally, the Commission seeks comments on how to appropriately set the level of the broadband connection charge subsidy.

e. Managing Program Finances

49. In the 2012 *Lifeline Reform Order,* the Commission adopted a number of reforms designed to combat waste, fraud, and abuse in the program. These reforms have taken significant strides to address concerns with the program, including through the elimination of duplicate support. In 2012, USAC disbursed approximately $2.2 billion in Lifeline support payments compared to approximately $1.6 billion in Lifeline support payments in 2014. The Commission, in the 2012 *Lifeline Reform Order,* also indicated that the reforms would put the Commission ''in a position to determine the appropriate budget for Lifeline'' after evaluating the impact of the reforms.

50. Accordingly, in light of progress made on these reforms, and consistent with steps the Commission has taken to control spending in other universal service programs, the Commission seeks comments on a budget for the Lifeline program. The purpose of a budget is to ensure that all of the Commission's goals are met as the Lifeline program transitions to broadband, including minimizing the contribution burden on ratepayers, while allowing the Commission to take account of the unique nature and goals of the Lifeline program. The Commission seeks comment on this approach.

51. Adopting a budget for the Lifeline program raises a number of important implementation questions. For example, what should the budget be? The Commission expects that efforts to reduce fraud, waste and abuse should limit any increase in program expenditures that may be associated with the reforms to modernize the program. What data would help ensure Lifeline-supported voice and broadband services are available to qualifying low-income households and that also minimizes the financial burden on all consumers? Today, not every eligible household participates in the Lifeline program. Thus, if the Commission were to adopt the current size of the Lifeline program as a budget, it could foreclose some eligible households from participating in the program. And, there is no data to suggest that the particular size of Lifeline in a given year is the right approach. Ultimately, the size of the Lifeline program is limited by the number of households living in poverty and, as the Commission does better as a society to bring households out of poverty, the program should naturally reduce in size.

52. Additionally, the Lifeline program is a month-to-month program. The Commission wants to avoid a situation where the Commission would be forced to suddenly halt support for individuals that otherwise meet the eligibility requirements. How can the Commission monitor and forecast demand for the program so that the Commission would be in a position to address any possible increases in advance of reaching the budget, should that necessity arise? The Commission seeks comment on these and other implementation questions that would be raised by a budget.

f. Transition

53. The Commission seeks comments on whether any transition is necessary to implement the reforms described in this section. If the Commission adopts the proposal to eliminate the provider from determining whether a consumer is eligible for Lifeline, as discussed, the Commission seeks comments in particular on the appropriate transition to ensure that the Lifeline program has sufficient protections against waste, fraud and abuse. For example, should the Commission have a transition where the providers continue determining eligibility while the third-party process is being established and, if so, how long should there be an overlap to ensure that the third-party process is working as intended? For each of the possible program changes discussed in this document, the Commission seeks comments on whether a transition is necessary and, if so, how to structure any such transition to minimize fraud and protect the integrity of the program while maximizing the value and benefits to consumers.

54. The Commission also seeks to minimize any hardships on consumers affected by the proposed changes and we also seek to alleviate complications resulting from a transition on Lifeline providers. The Commission seeks comments on specific paths to transition that would minimize the impact on both consumers and Lifeline providers.

g. Legal Authority To Support Lifeline Broadband Service

55. In order to establish minimum service levels for both voice and broadband service, the Commission proposes to amend the Commission's rules to include broadband Internet access service, defined consistent with the *Open Internet Order,* 80 FR 19737, April 13, 2015, as a supported service in the Lifeline program. Section 254(c) defines universal service as ''an evolving level of telecommunications service.'' Broadband Internet access service is a ''telecommunications service,'' therefore, including broadband Internet access service as a supported service for Lifeline purposes is consistent with Congress's principles for universal service. Moreover, defining broadband Internet access service as a supported service is also consistent with the criteria in section 254(c)(1)(A) through (D). Should the Commission amend §§ 54.101, 54.400, and 54.401 of the Commission's rules to include broadband as a supported service? The Commission seeks comments on these views.

56. The Commission also seeks comment on other ways to support broadband within the Lifeline program. For example, should the Commission condition a Lifeline provider's receipt of

Lifeline support for voice service (a supported telecommunications service) on its offering of broadband Internet access service? Could the Commission provide the support for broadband-capable networks, similar to what the Commission did in the *USF/ICC Transformation Order,* 76 FR 78384, December 8, 2011. For example, could the Commission use a similar analysis to conclude that providing Lifeline support to facilities-based Lifeline providers encourages the deployment of broadband-capable networks, as does stimulating the demand for wholesale broadband services by providing Lifeline support to non-facilities-based Lifeline providers? Are there other sources of authority that could allow the Commission to adopt rules to provide support for broadband Internet access service in the Lifeline program? How should the Commission view section 706 of the 1996 Act? The Commission asks commenters to take federal appropriations laws into account as they offer their responses to these questions.

B. Third-Party Eligibility Determination

57. The Commission proposes to remove the responsibility of conducting the eligibility determination from the Lifeline providers and seeks comment on various ways to shift this responsibility to a trusted third-party and further reduce waste, fraud, and abuse in the Lifeline program, and leverage other programs serving the same constituency to extract saving for the Fund. By removing that decision from the Lifeline provider, the Commission removes one potential source of waste, fraud, and abuse from the program while also creating more efficiencies overall in the program administration. Doing so also brings much-needed dignity to the program, reduces administrative burdens on providers, which should help to facilitate greater provider participation and competition for consumers. A number of states have been proactive in their efforts to bring further efficiencies into the program by establishing state eligibility databases or other means to verify Lifeline eligibility. The Commission commends these states for working to make the program a prime example of Federal/state partnership, and seeks comment below on the best ways to build off of these successful efforts and extract benefits for Lifeline. The Commission seeks comment on the costs and benefits of each approach for third-party eligibility including the costs to providers, the universal service fund, and the costs and timeframe to transition to an alternative mechanism. In particular, the Commission seeks comment on leveraging eligibility and oversight procedures that already exist within other benefit programs rather than recreating another mechanism just for Lifeline. The Commission also seeks comment on whether to provide eligible consumers with a portable benefit, provided by the third-party verifying eligibility, which they could use with any Lifeline provider. That approach could facilitate consumer choice while also reducing administrative burdens on Lifeline providers. The Commission seeks comment on these and other options below.

1. National Lifeline Eligibility Verifier

58. In this section, the Commission seeks comment on whether the Commission should establish a national Lifeline eligibility verifier (national verifier) to make eligibility determinations and perform other functions related to the Lifeline program. A national verifier would review consumer eligibility documentation to verify Lifeline eligibility, and where feasible, interface with state eligibility databases to verify Lifeline eligibility. A national verifier could operate in a manner similar to the systems some states have already implemented. For example, California has chosen to place the duty of verifying Lifeline eligibility in the hands of a third-party administrator. In California, the state's third-party administrator examines documentary proof of eligibility and verifies that the prospective subscriber has executed a proper Lifeline certification. The Commission seeks comment on whether such an approach could be adopted on a national scale and the costs and timeframe to do so. Because a number of states have already implemented Lifeline eligibility verification systems, the Commission seeks comment and quantifiable data from the states to enrich its understanding of how such systems function when implemented. As the Commission's partners in administering the Lifeline program, the states can provide a unique perspective on these issues that may be overlooked elsewhere. The Commission welcomes and solicits comment from the states on the issues of Lifeline eligibility verification discussed below.

59. *Core Functions of a National Verifier.* The Commission proposes that a national verifier would, at a minimum, review consumers' proof of eligibility and certification forms, and be responsible for determining prospective subscribers' eligibility. The Commission seeks comment on the scope of this core function and other potential responsibilities associated with determining eligibility that the administrator could undertake. Consistent with the responsibilities of Lifeline providers to protect Lifeline applicants' personal information from misappropriation, breach, and unlawful disclosure, it also seeks comment on reasonable data security practices that should be adopted by a national verifier and whether a national verifier should notify consumers if their information has been compromised.

60. *Interfacing with Subscribers and Providers.* The Commission seeks comments on whether consumers should be permitted to directly interface with a national verifier, or whether only providers should be permitted to do so. If consumers are permitted to interface with a national verifier, they could compile and submit all required Lifeline eligibility documentation and obtain approval for Lifeline prior to contacting a provider for service. However, many consumers are likely unfamiliar with many of the Lifeline application documents and program requirements. Therefore, should interaction with a national verifier be limited to providers for reasons of efficiency and expertise? If interaction is limited to providers, how could information be collected and compiled in a manner that reduces administrative burdens on providers and maintains consumer privacy and dignity?

61. If subscribers are not able to directly interface with a national verifier to apply for a Lifeline benefit, are there other ways a national verifier could interact with consumers? For example, California has established a call center to answer consumers' questions about the Lifeline application process. Are there other similar customer service functions the national verifier should implement as part of its responsibilities? Should the Commission establish a process so that a potential subscriber contacts the national verifier to learn about the service and the providers that serve the subscriber's area? Are there any lessons that providers have learned from the implementation of, and their interaction with the NLAD?

62. *Processing Applications.* Next, the Commission seeks comment on whether a provider should be permitted to provision service to a consumer prior to verification of eligibility by a national verifier. Currently, providers are required to evaluate and verify a prospective subscriber's eligibility prior to activating a Lifeline service. Under any implementation of a national verifier, where the verifier must review eligibility documentation, there will be a delay between a national verifier receiving documentation and the time a

national verifier makes an eligibility determination. For example, in California, several days can pass between the time the Lifeline application and supporting documentation is received by the state's third-party verifier and when the consumer is approved for Lifeline. Would a similar, multi-day approval process on the national level negatively impact consumers? If so, does the benefit of reduced waste, fraud, and abuse in the program outweigh any harms a delay may cause? What additional costs would shortening the review process incur?

63. The Commission also seeks comment on whether it should implement a pre-approval process. To mitigate the effects of the delay from the time the consumer submits a Lifeline application and supporting documentation and an eligibility determination, California put a ''pre-approval'' process in place. It is the Commission's understanding that, in California, the pre-approval occurs subsequent to a duplicates check and ID verification, but before the third-party administrator performs a full review of the consumer's documentation for eligibility and occurs in a matter of minutes. The Commission seeks comment on whether we should implement a similar pre-approval process for the national verifier. Would pre-approval increase the chances for waste, fraud, and abuse in the program?

64. The Commission notes that delay of several hours or even days can occur during the period between when the subscriber seeks to obtain Lifeline service from a provider and subsequently provides a completed application and supporting documentation to the third-party entity. What assistance, if any, should providers or a national verifier give to the subscriber in completing a Lifeline application and compiling supporting eligibility documentation to shorten the eligibility verification process? For example, should verifier staff walk applicants through the enrollment process? Would permitting the national verifier to enroll subscribers directly without the subscriber having to apply through the provider shorten this period?

65. The Commission also seeks comment on how providers and/or consumers should transmit and receive Lifeline applications and proof documentation with a national verifier. Should consumers be required to submit their Lifeline applications and proof documentation through a provider who ultimately sends the documentation to a national verifier, or could consumers submit their documentation directly to a national verifier? For example, should the Commission permit consumers to directly submit their Lifeline application and supporting eligibility documentation to a national verifier via U.S. Postal Service, fax, email, or Internet upload? If consumers are not permitted to submit documentation on their own, how should providers submit consumer eligibility documentation to a national verifier? Are some forms of submission better than others in terms of ensuring an expedited response? What are the data privacy and security advantages and disadvantages of each approach, and how can any risk of unauthorized disclosure of personal information be mitigated? The Commission seeks comment on any other submission methods that may benefit consumers, providers, and a national verifier.

66. *Interacting with State Databases.* In this section the Commission seeks comment on the scope of a national verifier's operations and how or whether it should interact with states that have already put in place state eligibility databases and/or processes to check documentary proof of eligibility. The Commission is pleased and encouraged with the fact that several states already have in place eligibility databases and/or processes to check documentary proof of eligibility.

67. While many states have made significant strides in verifying Lifeline eligibility, some states' processes are limited in that they only verify eligibility against some, but not all, Lifeline qualifying programs. The Commission seeks comment on how these states should interact with a national verifier. How would a possible change in the number of qualifying programs, as discussed below, affect this analysis? The Commission also seeks comment on interim steps that could be taken to leverage state databases to confirm eligibility as the Commission moves away from providers determining eligibility. Could the Commission move faster in states that have existing databases and then phase-in the process for other states?

68. The Commission also seeks comment on ways a national verifier could access state eligibility databases to verify subscriber eligibility prior to review of consumer eligibility documentation. Would this step improve the efficiency of the enrollment process? How would requiring a national verifier to utilize a state eligibility database for eligibility verification interplay with any standards set for state databases, as discussed below? Could the national verifier use the NLAD database and have the state databases interface with NLAD? If so, how? Alternatively, what are the drawbacks if the duty to check such databases remains with the state, its agent, and/or individual providers in those states? The Commission encourages interested parties to suggest cost-effective ways a national verifier could utilize state databases.

69. *Existing State Systems for Verifying Eligibility.* In this section the Commission seeks comment on the relationship between a national verifier and states with existing systems for verifying eligibility. The Commission wants to encourage the continued development of eligibility databases at the state level. The Commission seeks comment on whether states should be required to use a national verifier, or whether and how states could ''opt-out'' of a national verifier in those cases where the state has developed a process to examine subscribers' eligibility and/or a state eligibility database and the state wishes to continue to perform the eligibility screening function on its own. The Commission currently permits states to opt-out of utilizing the NLAD, contingent upon a state's system being at least as robust as the processes adopted by the Commission in the *2012 Lifeline Reform Order.* Similarly, it now seeks comment on whether to adopt standards that state systems would have to meet in order to opt-out of a national verifier.

70. The Commission also seeks comment on standards for any database or state-led process used to verify Lifeline program eligibility and how the states must meet these requirements as part of their request to opt-out of a national verifier. The Commission seeks comment on requirements for state eligibility databases generally in order for a state to qualify to opt out of a national verifier. Specifically, the Commission seeks comment on whether state eligibility databases should be required to verify eligibility for each Lifeline qualifying program, or whether such a requirement would impose an unreasonable burden.

71. To ensure the reliability and integrity of the state eligibility databases, the Commission seeks comment on whether we should set a requirement for updating eligibility data on a regular basis, and if so, what the appropriate time frame should be. For example, would the burden of a nightly refresh requirement outweigh the benefit of fully up-to-date data? What specific barriers prevent timely data updates?

72. The Commission seeks comment on whether and to what extent to

include state database consumer privacy protections in any opt-out standard we adopt. Many of the state eligibility databases currently in use only return a ''yes'' or ''no'' response subsequent to an eligibility query. By doing so, the provider is unaware of which Federal Assistance program the consumer qualifies under for Lifeline. The Commission seeks comment on whether the Commission should require this type of ''yes'' or ''no'' response from Lifeline eligibility databases as a means to protect consumers' private information as part of our opt-out threshold. What other types of controls can the Commission adopt to protect consumer privacy?

73. The Commission and USAC may need to be able to audit state databases to monitor compliance. Is direct access to the databases needed to perform a sufficient audit? What are the data privacy and security implications of allowing direct access? How can we reduce the administrative burden on states, while ensuring compliance? What state or Federal rules and statutes may limit the ability of USAC or the FCC to audit the state database?

74. Lastly, the Commission seeks comment on how states may fund and implement any standards for their eligibility databases. Pursuant to § 54.410(a) of the Commission's rules, providers are required to implement procedures to ensure their subscribers are eligible to receive the Lifeline benefit. Could this rule be interpreted to require providers to fund any necessary implementation efforts for state eligibility databases? More generally, the Commission seeks comment on the sources and scope of Commission authority to require minimum standards for state databases so as to opt out of a national verifier.

75. *Alternative State Interaction.* In this section the Commission seeks comment on utilizing state eligibility systems as the primary means of verifying Lifeline eligibility, and utilizing a national verifier to promote and coordinate state eligibility verification efforts. As the Commission note above, a number of states have been proactive in their efforts to bring further efficiencies into the program by establishing state eligibility databases or other means to verify Lifeline eligibility. Therefore, it may be administratively inefficient to create a national verifier that would duplicate the functionality of these databases and systems already in place at the state level. The Commission seeks comment on this idea.

76. The Commission acknowledges that the current tapestry of state eligibility systems is far from uniform and has some shortcomings. It notes, as mentioned above, that many states have Lifeline eligibility verification systems in place but these systems vary in functionality. In addition, other states do not have in place *any* means of verifying Lifeline eligibility. The Commission seeks comment on how to incent states to develop dependable means-tested processes to verify consumer Lifeline eligibility. Does the Commission have the authority to utilize universal service funds to finance the development and implementation of Lifeline eligibility verification systems at the state level? Section 54.410(a) of the Commission's rules requires providers to implement procedures to ensure their subscribers are eligible to receive the Lifeline benefit. Could this rule be interpreted to require providers to fund any necessary implementation efforts for state eligibility databases? The Commission seeks comment on the sources and scope of Commission authority to incent states, either through monetary or other means, to develop Lifeline eligibility verification systems. How can the Commission guarantee all state eligibility verification systems meet specific standards to ensure the reliability and integrity of those systems? If some states decline to develop systems meeting any minimum standards as set by the Commission, would a national verifier as envisioned act to verify consumer Lifeline eligibility? If a national verifier assumes the function of verifying consumer Lifeline eligibility for non-compliant states, what additional functions can a national verifier undertake to assist and encourage states to develop systems to verify Lifeline eligibility that meet Commission standards?

77. In addition, the Commission seeks explicit comment from the states on this alternative course of action. As the Commission's partners in implementation and administration of the Lifeline program, any views or quantifiable data specifically from a state perspective would be beneficial in determining whether to move forward with this alternative option for verifying Lifeline eligibility.

78. *Dispute Resolution.* The Commission seeks comment on any means or process for consumers or providers to contest a rejection of a prospective consumer's eligibility. The Commission seeks comment on a dispute resolution process that consumers may utilize should they believe that they have been wrongly denied Lifeline eligibility. Should the provider act on behalf of the consumer to resolve any eligibility disputes, or should the consumer interface directly with the national verifier? Should resolution of disputes be addressed by the national verifier in the first instance, subject to an appeal to USAC? In developing a dispute resolution/exceptions management process for the national verifier, the Commission generally seeks comment on additional issues such as implementation, transition, and timing of decisions.

79. *Privacy.* Consumer privacy is of the utmost concern to us in establishing a national verifier, and the Commission proposes requiring that any national verifier put in place significant data privacy and security protections against unauthorized misappropriation, breach, or disclosure of personal information. It notes that in response to the *Lifeline FNPRM,* several commenters raised consumer privacy concerns with having a third-party entity review and retain prospective Lifeline subscriber qualifying documentation. Moreover, recently, we have emphasized that Lifeline providers must ''take every reasonable precaution to protect the confidentiality of proprietary or personal customer information,'' including ''all documentation submitted by a consumer or collected by a Lifeline provider to determine a consumer's eligibility for Lifeline service, as well as all personally identifiable information contained therein.'' In order to ensure that consumers' privacy is protected at all stages of the Lifeline eligibility verification process, the Commission seeks comment on how a national verifier can receive, process, and retain eligibility documentation while ensuring adequate protections of consumer privacy. The Commission seeks comment on how the functions of a national verifier would conform to government-wide statutory requirements and regulatory guidance with respect to privacy and information technology. What privacy and data security practices should the Commission require a national verifier to adopt with respect to its receipt, processing, use, sharing, and retention of applicant information? Should the Commission require a national verifier to adopt the minimum practices we require of Lifeline providers in the accompanying Order on Reconsideration? Should a national verifier be required to provide consumers with a privacy policy, and what topics should such a policy include? What responsibility, if any, should a national verifier have to notify consumers of a data breach or other unauthorized access to information

submitted to determine eligibility for Lifeline service? Are consumer privacy concerns mitigated if the Commission adopts a mechanism for coordinated enrollment with other federal benefits programs?

80. *Additional Functions of a National Verifier.* The Commission seeks comment on additional functions that a national verifier could perform to further eliminate waste, fraud, and abuse. For example, should a national verifier become involved in the subscriber recertification process? Given its likely role in determining initial subscriber eligibility, should the duty to recertify subscribers be transitioned from Lifeline providers and/or USAC's current process to the national verifier? If so, the Commission seeks comment on whether any recertification performed by a national verifier should be mandatory. The Commission also seeks comment on how the recertification process as performed by a national verifier should differ, if at all, from the current process as performed by USAC.

81. A national verifier could also interact with the NLAD to check for duplicates. The NLAD has been established to ensure that neither individual consumers nor households receive duplicative Lifeline support. Now that the NLAD is fully operational, Lifeline providers and states are required to access the NLAD prior to enrolling a potential subscriber to determine whether the subscriber already is receiving service and load an eligible subscriber's information into the NLAD. Are there efficiencies if both the national verifier and the NLAD are operated by the same entity? Should a national verifier be required to access the NLAD to check for duplicates on behalf of or in addition to the Lifeline providers and/or states? Should a national verifier also be responsible for loading subscriber information into the NLAD on behalf of Lifeline providers? If so, what kinds of communication and coordination must occur between a national verifier, the NLAD and Lifeline providers? Should a national verifier assist in the process of generating or verifying the accuracy of the Lifeline providers' FCC Form 497s? Lifeline providers are generally designated by wire center and it may be difficult to determine if a particular address is within a wire center where the Lifeline provider is designated to serve. Could a national verifier implement a function so that a Lifeline provider could query a mapping tool to determine whether a prospective subscriber's address is within the Lifeline provider's service area and not be permitted to serve that subscriber if the tool indicates that the subscriber does not reside within the service area? The Commission also seeks comment on any other functions that could be undertaken by a national verifier.

82. Currently, the Commission believes that the administrative burden that Lifeline providers face in verifying subscriber eligibility is significant. A national verifier will lift this financial burden from Lifeline providers. The Commission proposes to require Lifeline providers to reimburse the Fund for part or all of the operations of the national verifier. Under this proposal, how should support be allocated amongst the contributing Lifeline providers? Would Lifeline providers that utilize a national verifier more than other Lifeline providers be required to pay more? The Commission seeks additional comment on any other ways to fund a national verifier outside of utilizing USF funds.

83. Upon the establishment and implementation of a national verifier, the Commission anticipates that Lifeline providers would no longer be permitted to formally verify subscriber eligibility for Lifeline purposes, and the Commission seeks comment on that approach. It also seeks comment on how to handle the transition. Should the Commission define a transition path? If so, how long should such a period last?

84. In the alternative, if we do not adopt a national verifier, the Commission seeks comment on whether, once Lifeline providers review subscriber eligibility, they should be required to send the eligibility documents to USAC so that they can be easily audited and reviewed later. The Commission seeks comment on this approach, including the cost to Lifeline providers and USAC to transmit, store and review such documentation. Are there benefits for USAC to receive such documents in the normal course instead of asking for them at the time of an audit? Under this approach, are there ways that USAC can examine eligibility documents on a regular basis to detect patterns of fraud?

85. *Document Retention.* In the event the Commission establishes a national verifier or otherwise removes the responsibility for determining eligibility from the Lifeline provider, the Commission seeks comment on Lifeline providers' retention obligation for consumer eligibility documentation when the provider is no longer responsible for determining eligibility. How and when should providers cease retaining Lifeline consumer eligibility documentation? The Commission also seeks comment on transitioning to a third party. Should providers be required to send all retained Lifeline consumer eligibility documents to the third party verifier? What type of administrative burden would requiring providers to send retained Lifeline consumer eligibility documentation to a national verifier place on providers? How best can the Commission ensure such documentation will remain available and accessible for the purpose of audits?

2. Coordinated Enrollment With Other Federal and State Programs

86. In this section, the Commission seeks comments on coordinating with federal agencies and their state counterparts to educate consumers about, or simultaneously allow consumers to enroll themselves in, the Lifeline program. The Commission seeks comments on this issue as an alternative, or supplement to, its inquiry regarding whether a third-party should perform consumer eligibility determinations rather than Lifeline providers. Other federal benefit programs which qualify consumers for Lifeline already have mechanisms to confirm eligibility. In this section, the Commission seeks comments on how to leverage such existing processes including verification and additional fraud protections in lieu of creating a separate national verifier to confirm Lifeline.

87. *Background.* One of the goals in the 2012 *Lifeline Reform Order* was to coordinate Lifeline enrollment with other government benefit programs that qualify low-income consumers for federal benefit programs. Coordinated enrollment with other Federal and state agencies will generate efficiencies in the Lifeline program by increasing awareness in the program and making enrollment more convenient for eligible subscribers, while also protecting the Fund against waste, fraud, and abuse by helping to ensure that only eligible consumers are enrolled.

88. In order to qualify for support under the Lifeline program, the Commission's rules require low-income consumers to have a household income at or below 135 percent of the Federal Poverty Guidelines, or receive benefits from at least one of a number of federal assistance programs. Consumers qualifying for Lifeline under program-based criteria receive documentation from that program tying the eligibility and participation of both programs.

89. For example, the Supplemental Nutritional Assistance Program (SNAP) is a qualifying program where coordinated enrollment may be particularly helpful. SNAP, formerly known as Food Stamps, provides financial assistance to eligible

households for food through an electronic benefit transfer (EBT) card, which functions like a debit card. Of roughly 33 million households eligible for traditional Lifeline support through participation in a federal assistance program, approximately 42 percent, or about 14 million households, are eligible for Lifeline through SNAP. In verifying the eligibility of a consumer, Lifeline providers may accept program participation in SNAP (for example through a SNAP EBT card) as acceptable program eligibility documentation. Approximately 40 states use the EBT cards not only to deliver SNAP benefits, but also to coordinate the delivery of other eligible benefits.

90. *Discussion.* Coordinated enrollment with other federal agencies and their state counterparts could streamline the Commission's efforts, produce savings for the Lifeline program and providers, increase checks and protections against fraud, and greatly reduce administrative burdens. For example, coordinated enrollment with other Federal and state benefit programs could: 1) Educate consumers about the possibility of signing up for Lifeline while they sign up for other programs, 2) leverage existing infrastructure and technologies further minimizing waste, fraud, and abuse, while confirming eligibility, 3) provide more dignity to the program and better protect consumer privacy, because it would limit the number of entities to which consumers would disclose personal information, 4) allow consumers to simultaneously apply for Lifeline as they enroll in other programs, and 5) work, together with other benefit programs to transfer Lifeline benefits directly to consumers allowing consumers to redeem Lifeline benefits with the Lifeline provider of their choice.

91. The Commission seeks comment on how best to leverage the existing technologies, databases, and fraud protections that already exist in other federal benefit programs. For example, the SNAP program requires states to cross check any potential subscriber against the Social Security Master Death File, Social Security's Prisoner Verification System, and FNS's Electronic Disqualified Recipient System, prior to certifying individuals for the program, to ensure that no ineligible people receive benefits. If the Commission coordinates with other federal benefit programs, Lifeline receives the benefit of having another agency already conducted these checks, which increases protection against fraud while incrementally more efficient than creating a separate process.

92. How can the Commission better coordinate and build upon the work already invested by state and federal agencies to confirm consumers are eligible for programs. The Commission seeks comment on the incremental costs of adding Lifeline to an existing eligibility database in lieu of setting up a separate national framework. Would such administrative burdens and costs outweigh the benefits of such a proposal? Or would the Lifeline fund actually incur a net savings because of the administrative efficiencies that may result from coordinated enrollment? What are the various administrative, technological, or other barriers to implementation related to such coordinated enrollment? Should states be compensated for eligibility determinations and coordinated enrollment? If so, should it be per subscriber or another metric? Should such costs be borne equally by all Lifeline providers or should it be borne by the Lifeline program? The Commission seeks comment on the timeframe to implement such a change and whether the Commission should first start with a handful of states that already have coordinated enrollment across benefits programs. If so, the Commission seeks comment on how to identify these states.

93. The Commission seeks comment on how the Commission may best facilitate coordinated enrollment with other Federal benefit programs such as the USDA and its state agency counterparts (collectively, ''SNAP Administrators''). For example, should SNAP Administrators merely educate consumers about Lifeline? If so, should SNAP Administrators limit their role to providing relevant materials to their SNAP consumers and informing them that eligibility in SNAP qualifies such consumers for Lifeline, while also directing these consumers to the appropriate sources to apply for Lifeline? If the Commission establishes a national verifier, how may the Commission facilitate coordinated enrollment with SNAP Administrators? In this context, should SNAP administrators play a role in which they ''pre-approve'' consumers who are eligible for SNAP and then forward the Lifeline application to a national verifier to complete the application? What responsibility, if any, should SNAP Administrators have for checking the NLAD prior to providing the consumer's application to a national verifier?

94. Should the Commission pursue coordinated enrollment in a manner that authorizes SNAP administrators to allow consumers who qualify for SNAP to simultaneously sign up for Lifeline as well? Since SNAP Administrators can perform eligibility verifications, does it makes sense for the Commission or USAC to conduct these same checks again for Lifeline? Should the Commission establish a procedure where the Commission and the SNAP Administrators work together on a single, unified application? As the Commission discusses *infra,* the Commission seeks comment on whether the Commission should work with SNAP Administrators, to place Lifeline benefits directly on SNAP EBT cards, thereby transferring the benefit directly to consumers. This approach, in turn, allows consumers themselves to apply the Lifeline benefit to the Lifeline provider of their choice. How may the Commission best facilitate coordinated enrollment under this approach?

95. Are there any legal and practical limitations of having the state or federal benefit administrators serve as agents for the Commission with respect to Lifeline? Are there other ways to coordinate enrollment with other Federal or state agencies? How does having SNAP Administrators or other Federal or state benefit programs affect the need for a national verifier? How can the Commission best coordinate with or rely upon SNAP Administrators when verifying eligibility and enrolling subscribers?

96. The Commission also seeks specific comment on how to encourage coordinated enrollment with other Federal assistance programs that qualify participants for support under the Lifeline program—such as Medicaid; SSI; Federal Public Housing Assistance; LIHEAP; NSLP free lunch program; and Temporary TANF. As noted below, the Lifeline program has the potential to provide essential connectivity to the Nation's veterans. The Commission seeks comment on how we can coordinate its outreach and enrollment efforts to reach low-income veterans. For example, the Veterans Affairs Supportive Housing (VASH) program, a joint effort between the Department of Housing and Urban Development and the Department of Veterans Affairs, provides support to homeless veterans and their families to help them out of homelessness and into permanent housing. The program provides housing assistance and clinical and supportive services to veterans. These services require communication between veterans, veteran families and caseworkers. The Commission seeks comment on how it can coordinate outreach efforts related to the Lifeline program with the VASH program or other federal efforts designed to assist vulnerable veterans.

97. The Commission recognizes that individual states play an important role in the administration of various Federal assistance programs and seeks specific comment from these states about their experiences, best practices, and how to encourage coordinated enrollment with these Federal programs, state administrative agencies, and the Lifeline program. For example, the Commission understands that administration of the SNAP EBT card is performed at the state level and the Commission seeks specific comment from states on issues such as eligibility verification, placing Lifeline benefits on the SNAP EBT card, and any other administrative issues. Because many individual states have implemented coordinated enrollment with Federal assistance programs, the Commission solicits specific comments from these states. The Commission encourages coordinated enrollment and recognizes how it can increase the effectiveness of state eligibility databases. The Commission seeks comments from states operating state eligibility databases and specifically ask how the Commission may work best with such states. If the Commission moves to a third party verification model, should the Commission first attempt to transition with a handful of states already operating eligibility databases before attempting such a transition on a national scale?

3. Transferring Lifeline Benefits Directly to the Consumer

98. In this section, the Commission seeks comments on whether designated third-party entities can directly transfer Lifeline benefits to individual consumers. As discussed, having a third-party make eligibility determinations removes this burden from Lifeline providers and should result in substantial cost savings and efficiencies. The Commission now seeks comment on establishing processes for the national verifier or another federal agency to transfer Lifeline benefits directly to consumers via a portable benefit.

99. *Background.* The Commission has long considered assigning Lifeline benefits directly to the consumer. Under this approach, consumers can take their benefit to the Lifeline providers of their choosing and can receive Lifeline support for whatever service best meets their needs. In the *2012 Lifeline Reform FNPRM,* the Commission sought to further develop the record on MetroPCS's proposal that the Commission implement a voucher-based Lifeline program in which Lifeline discounts would be provided directly to eligible low-income consumers. Under this approach, MetroPCS emphasized that ''[b]y allowing the payment to be made directly to the consumer, it would permit the consumer to decide how and on what telecommunications service to spend the payment.'' The Commission, in the *2012 Lifeline Reform Order,* also considered, but ultimately declined to adopt, AT&T's proposal to transfer Lifeline benefits directly to the consumer by assigning subscribers with a unique identifier or Personal Information Number (PIN) that could be ''deactivated'' once a consumer is no longer eligible for Lifeline. In declining to adopt AT&T's proposal, the Commission reasoned that ''AT&T's proposal assumes that a third-party at the state level (*e.g.,* state PUC) would issue and manage PIN numbers and there is no guarantee that states would be willing or economically able to take-on such an administrative function in the absence of explicit federal support.''

100. *Discussion.* Consistent with the Commission's goal to reduce waste, fraud, and abuse, the Commission seeks comment on having third parties directly assigns Lifeline benefits to individual consumers through a physical media (*e.g.,* like a debit card) or a unique code (*e.g.,* PIN). Should the Commission require a national verifier, or work with other interested Federal and state agencies, to transfer Lifeline benefits directly to the consumer in the form of a portable benefit? Are there other entities that can serve this role or fulfill this task? What are the various administrative, technological, funding, or other barriers to implementation related to providing the portable benefit to the consumer? For example, how can a national verifier and other Federal and state agencies ensure that benefits are transferred to the consumer in a timely fashion following the submission of a Lifeline application? How can Lifeline providers best monitor continued eligibility of consumers once they are selected? How would a portable benefit work with the recertification requirement and permit a consumer to transfer the benefit from one Lifeline provider to another?

101. The Commission also seeks comment on the appropriate mechanism that should be used to transfer the Lifeline benefit directly from a third-party to the consumer. For example, what are the costs and benefits of placing Lifeline benefits on a physical card? The Commission notes that in some states, SNAP as well as other benefits are encoded on the SNAP EBT card, providing the consumer with a single card for several social service needs. Should the Commission work with SNAP administrators to place Lifeline benefits directly on a SNAP EBT card? If so, how would such a process be implemented? What costs have SNAP administrators or other agencies incurred in encoding non-SNAP benefits on the card and would such costs compare with other approaches the Commission seeks comment on today such as the National Verifier? As the Commission discusses above, the Commission seeks comment on how to encourage coordinated enrollment with other Federal and state agencies that administer programs that also qualify participants for Lifeline. Because many individual states have implemented coordinated enrollment with SNAP benefits and other Federal assistance programs, it solicits specific comments from these states regarding their experiences and any best practices which they may have established.

102. The Commission seeks comment on approaches other than a physical card but using alternative approaches such as an online portal or application on a user's device to submit payment. What is the most appropriate way to use an EBT-type card for a communications service? What are the costs and benefits to providers of moving to an EBT-type card? Can USAC pay Lifeline providers each month for EBT card is in use? How would USAC be informed that a card has been associated with a particular provider entitled to the benefit? What protections would need to be in place and how would USAC be notified when a consumer switches providers? Could the EBT card automatically notify USAC of a provider change?

103. If a portable benefit is offered to consumers through a national verifier or state or Federal agency, how would such a benefit be provided? How should secure physical cards be issued to the consumer? How may the Commission best facilitate coordination between third parties determining eligibility and Lifeline providers during the transition? What protections should be put in place to prevent fraud or abuse by, for example, automatically deactivating the card if it is not used for a certain period of time, if the consumer is no longer eligible, or if the consumer reports that the card has been lost or stolen? If the benefit is placed on a federal or state benefit card, can the FCC put in place such protections or must the FCC work within the structures and rules already established by the other relevant agencies? Would the customer need to ''touch'' the Lifeline provider on a monthly basis to reapply the discount?

104. As an alternative, or in addition to, the possibility of placing Lifeline benefits on a physical card, should

consumers' Lifeline benefits be distributed by a national verifier or state or federal agency through a unique identifier or PIN associated with individual consumers? The Commission seeks comment on the pros and cons of such an approach. A pin-based approach may be preferable to a physical card in those cases where the consumer signs up for Lifeline over the phone or online and cannot ''swipe'' the card with the Lifeline provider.

4. Streamline Eligibility for Lifeline Support

105. *Background.* Currently, in order to qualify for support under the Lifeline program, the Commission's rules require low-income consumers to have a household income at or below 135 percent of the Federal Poverty Guidelines or receive benefits from at least one of a number of federal assistance programs. As of March 2014, roughly 42 million households were eligible for support under the Lifeline program with nearly 80 percent of those households (approximately 33 million) eligible based solely on participation in at least one of the federal assistance programs. In addition to income qualification and the federal assistance programs, consumers may also gain entry to the Lifeline program if they are able to meet additional eligibility criteria established by a state.

106. *Discussion.* The Commission seeks comment on the prospect of modifying the way low-income consumers qualify for support under the Lifeline program to target the Lifeline subsidy to those low-income consumers most in need of the support. In exploring these possible changes, we also seek to reduce the administrative burden on Lifeline providers to verify a low-income consumer's eligibility for Lifeline-supported service and any burden to the Fund as a whole, and reduce the likelihood of waste, fraud, and abuse. The Commission seeks comment on how to streamline the program while promoting the Commission's goals of universal service and ensure that all consumers, including the nation's most vulnerable, are connected.

107. The Commission first seeks comment on which federal assistance programs it should continue to use to qualify low-income consumers for support under the Lifeline program. The Commission specifically seeks comments on any potential drawbacks in limiting the qualification criteria for Lifeline support exclusively to households receiving benefits under a specific federal assistance program(s). For example, if the Commission no longer permits consumers to qualify through Tribal-specific programs, what would be the impact to low-income consumers on Tribal lands? In particular, as the Commission noted in the 2012 *Lifeline Reform Order,* because both SNAP and the Food Distribution Program on Indian Reservations (FDPIR) have income-based eligibility criteria, but households may not participate in both programs, some residents of Tribal lands did not qualify for Lifeline support simply because they chose to participate in FDPIR rather than SNAP. When adopting FDPIR as an additional assistance program that would qualify eligible residents of Tribal lands for Lifeline and Link Up, the Commission noted further that members of more than 200 Tribes currently receive benefits under FDPIR, and that elderly Tribal residents often opt for FDPIR benefits. What would become of these low-income consumers' access to affordable voice service under a change to the eligibility rules? What would be the impact on Medicaid recipients if households could no longer qualify for Lifeline support through Medicaid?

108. The Commission also seeks comment on whether it should continue to allow low-income consumers to qualify for Lifeline support based on household income and/or eligibility criteria established by a state. Under the current program, less than four percent of Lifeline subscribers subscribe to the service by relying on income level. Given the relatively low number of consumers using income as their qualifying method, the Commission seeks comment on any changes it should consider to ensure that the Lifeline program is targeted at the neediest.

109. Further, the Commission seeks comment on whether low-income consumers should be permitted to qualify for Lifeline support through programs which do not currently qualify consumers for Lifeline benefits. For example, the Lifeline program has the potential to positively impact the lives of the veterans who have served this country. In the 2012 *Lifeline NPRM,* the Commission sought comment on whether to include homeless veterans programs as qualifying eligibility criteria for support under the Lifeline program. The Commission now seeks comment on whether federal programs targeted at low-income veterans should be considered to qualify those individuals for Lifeline support. Specifically, the Commission seeks comment on whether veterans and their families eligible for the Veterans Pension benefit should qualify those individuals for Lifeline support. To qualify for this program, veterans must have at least 90 days of active duty, including one day during a wartime period, and meet other means-tested criteria such as low-income limits and net worth limitations established by Congress. Should participation in the Veterans Pension program qualify an individual for Lifeline benefits? Given the income and net wealth limitations in the Veterans Pension program, the Commission seeks comment on whether it should serve as a qualifying program for Lifeline. It also seeks comment on ways to increase the awareness of the Lifeline program to low-income veterans. Are veterans aware of and utilizing the Lifeline program? How can the Lifeline program be targeted to better reach low-income veterans? The Commission further seeks comment on how low-income consumers, including low-income veterans, would certify and recertify their eligibility under any proposed alternatives.

110. Additionally, the Commission seeks comments on the extent to which modifying eligibility criteria under the Lifeline program reduces and streamlines Lifeline providers' recordkeeping processes. The Commission anticipates that streamlining the eligibility criteria will reduce the costs and time incurred by Lifeline providers and state administrators and any national verifier. The Commission seeks comments on these anticipated efficiencies and any other potential improvements associated with restructuring the eligibility criteria.

111. In potentially limiting the number of eligible federal assistance programs under the Lifeline program, some current Lifeline consumers will no longer qualify for Lifeline benefits. The Commission therefore recognizes the need for a transition period to allow those low-income consumers to transition to non-supported service with minimal disruption. It thus seeks comment on how such a transition should be structured. For example, should the Commission transition subscribers off of Lifeline support as part of the annual recertification process following the effective date of this Second FNRPM?

5. Standards for Eligibility Documentation

112. In this section, the Commission proposes requiring Lifeline providers to obtain additional information in certain instances to verify that the eligibility documentation being presented by the consumer is valid, including obtaining eligibility documentation that includes identification information or a photograph. It also seeks comment on

ways to further strengthen the qualification and identification verification processes to ensure that only qualifying consumers receive Lifeline benefits.

113. In the 2012 *Lifeline Reform Order,* the Commission adopted measures to verify a low-income consumer's eligibility for Lifeline supported services and required Lifeline providers to confirm an applicant's eligibility prior to enrolling the applicant in the Lifeline Program. However, program eligibility documentation may not contain sufficient information to tie the documentation to the identity of the prospective subscriber and often does not include a photograph.

114. The Commission seeks comment on requiring Lifeline providers to obtain additional information to verify that the eligibility documentation being presented by the consumer is valid and has not expired. Should the consumer be required to provide underlying eligibility documentation that includes subscriber identification information or a photograph? Should we only impose such a requirement in certain circumstances? Are there other more effective means for Lifeline providers to evaluate program eligibility documentation? The Commission believes that requiring prospective subscribers to produce a government issued photo ID would improve the identification verification process and more easily tie the identity of the prospective subscriber to the proffered eligibility documentation. Additionally, in its recent report, GAO noted that many eligible consumers fail to complete the application process because they have difficulty providing information and do not have access to scanners and photocopiers. Therefore, the Commission seeks comment on how to address those factors in requiring consumers to provide additional information.

C. Increasing Competition for Lifeline Consumers

115. In this section, the Commission seeks comment on ways to increase competition and innovation in the Lifeline marketplace. The Commission believes the best way to do this is to increase the number of service providers offering Lifeline services. It therefore seeks comment on the best means to facilitate broader participation in the Lifeline program and encourage competition with most robust service offerings in the Lifeline market. The Commission makes these proposals consistent with the Commission's goal of avoiding waste, fraud, and abuse.

1. Streamlining the ETC Designation Process

116. The Commission seeks comment on streamlining the ETC designation process at the state and federal levels to increase market entry into the Lifeline space. First, the Commission seeks comment on the Commission's authority under section 214(e) to streamline the ETC designation process at the Commission. In the *ETC Designation Order* (FCC 08–100 released April 11, 2008), the Commission adopted requirements consistent with section 214 of the Act, which all ETC applicants must meet to be designated an ETC by the Commission. In line with that decision, the Commission believes it has substantial flexibility to design a more streamlined ETC designation process for federal default states. The Commission seeks comment on this conclusion.

117. Given this broad authority, the Commission seeks comment on ways in which to streamline the Commission's ETC designation process to best promote the universal service goals found in section 254(b). It believes many entities, including many cable companies and wireless providers, are unwilling to become ETCs and some have in fact relinquished their designations. Are there certain requirements that are overly burdensome? Can the Commission simplify or eliminate certain designation requirements while protecting consumers and the Fund? Will establishing a national verifier lessen the need to streamline the ETC designation process? The Commission specifically seeks input from the states on examples of requirements that could be simplified or eliminated in order to make it less difficult for companies to become ETCs under the Lifeline program and suggestions for how the Commission can best refine the ETC designation process.

118. Second, the Commission seeks comment on coordinating and streamlining federal and state ETC designation processes. What are the benefits and drawbacks to a uniform, streamlined approach at both the state and federal levels? How can the Commission best encourage state commissions to adopt a path similar to a federal streamlined approach? The Commission strongly values input from the states on the pros and cons of such an approach and what measures could be adopted to encourage state commissions to adopt a similar streamlined approach.

119. *Proposals for ETC Relief from Lifeline Obligations.* In this section, the Commission seeks comment on proposals in the record that the Commission permit ETCs to opt-out of providing Lifeline supported service in certain circumstances, Pursuant to § 54.405 of the Commission's rules, carriers designated as ETCs are required to offer Lifeline supported service. AT&T, among others, notes in comments in response to the 2012 *Lifeline FNPRM* that competition in the Lifeline program has resulted in multiple areas where several ETCs provision Lifeline supported service to the same potential customer base. The Commission seeks additional comment on whether the Commission should relieve ETCs of the obligation to provide Lifeline supported service, pursuant to their ETC designation, in specific areas where there is a sufficient number of Lifeline providers. In considering this approach, the Commission seeks comment on what constitutes a sufficient number of providers and any other appropriate conditions to protect the public interest. The Commission also seeks comment on how to define an appropriate geographic area. It asks that any party supporting such an opt-out mechanism comment on the process, transition, and other issues associated with permitting ETCs to opt-out of providing Lifeline supported service in areas served by a sufficient number of ETCs offering Lifeline support.

120. The Commission notes that these proposals are similar to those currently under consideration in two other Commission proceedings—the USTelecom forbearance proceeding, and the Connect America Fund proceeding. In both of those proceedings, AT&T and others have argued that the Commission should separate or ''de-link'' carriers' Lifeline obligations from their ETC status. To facilitate our consideration of relevant arguments previously raised in the Connect America Fund and USTelecom forbearance proceedings, we hereby incorporate by reference the pleadings in those proceedings.

121. *Other Measures to Increase Competition.* The Commission seeks comment on other ways to ease market entry. The Commission recognizes that there are many other requirements for new companies wishing to offer Lifeline service. For example, non-facilities-based wireless providers must file and receive approval of a compliance plan prior to entering the market. The Commission appreciates that these requirements may pose challenges for companies. It thus seeks comment on other measures that can be taken to enhance competition and innovation in the market generally. Are there specific state or federal regulatory barriers that make it difficult for companies to participate and remain in the Lifeline

program? Are there economic barriers? The Commission seeks comments generally on such barriers and recommendations to address them.

122. *State Lifeline Support.* The Commission also seeks specific comment on ways that it can increase competition and the quality of service by encouraging states to provide an additional subsidy for Lifeline service. Combined state and federal contributions to Lifeline have long been a critical part of the Lifeline program. The Commission notes that in states that provide a significant separate subsidy, service is more affordable for a given level of service and ETCs generally offer a higher level of service. Are there other ways that the Commission can incent states to provide an increased level of support? Are there ways that the Commission can reduce state Lifeline costs so that the savings can be used for an increased state subsidy? Does the establishment of minimum service levels encourage states to provide a separate subsidy because they understand that their subsidy will go towards robust, quality service? The Commission specifically seeks feedback from the states on ways in which it can increase competition and the quality of service among service providers providing service to low-income consumers under the Lifeline program.

123. *Innovative Services for Low-Income Consumers.* The Commission also seeks comment on how best to utilize unlicensed bands, such as television white space or licensed bands, such as EBS, for the purpose of providing broadband service to low-income consumers. Unlicensed spectrum allows providers to deliver a variety of unlicensed offerings, such as Wi-Fi hotspots, without having to comply with numerous regulations that apply to licensed services. While there is unlicensed spectrum at other frequencies, TV white spaces are uniquely important in that they are lower in frequency than other unlicensed bands, which enables signals to better penetrate walls and trees and may enable a better consumer experience.

124. Recognizing the value of both unlicensed and licensed spectrum as a community and educational asset that can be utilized to improve broadband access and provide for innovative uses among low-income Americans, the Commission seeks comment on how we can augment the Lifeline program through the use of wireless spectrum to extend the Lifeline program's reach to as many low-income consumers as possible. What, if any, additional costs may providers incur as part of employing unlicensed technology for the benefit of low-income consumers? How can the Commission best support the use of these more unconventional ways of providing broadband access to the low-income community?

125. The Commission also seeks comment on other innovative wired or wireless technologies that may be similarly or better suited to provide low-income consumers with affordable broadband access than unlicensed or licensed spectrum or other, more traditional means of providing broadband. In proposing an alternative solution, commenters should describe how the alternative solution will complement the other programmatic changes and approaches the Commission discusses within this item.

2. Creating a New Lifeline Approval Process

126. The Commission also seeks comment on alternative means by which it can increase competition in this space. The Commission's rules current require that a provider become an ETC prior to receiving Lifeline universal service support. As discussed above, evidence in the record indicates that the ETC designation may be an impediment to broader participation in the Lifeline program. Would creating a process to participate in Lifeline that is entirely separate from the ETC designation process required to receive high cost universal service support encourage broader participation by providers? The Commission seeks comment on a new process applying to all entities that provide Lifeline service and ask how to include sufficient oversight to address concerns about waste, fraud, and abuse. The Commission seeks comment on the policy benefits of such an approach, what responsibility the relevant Federal and state entities would have in such a scheme, and the Commission's legal authority to do so.

127. *Background.* In 1985, the Commission created the Lifeline program to reduce qualifying consumers' monthly charges, and created Link Up to reduce the amount eligible consumers would pay for initial connection charges. The Commission did so because it found that ''[a]ccess to telephone service has become crucial, to full participation in our society and economy, which are increasingly depending upon the rapid exchange of information. In many cases, particularly for the elderly, poor, and disabled, the telephone is truly a lifeline to the outside world. Our responsibilities under the Communications Act require us to take steps to prevent degradation of universal service and the division of our society into information 'haves' and 'have nots.' '' The Commission's legal authority for creating and amending the Lifeline program was pursuant to sections 1, 4(i), 201, and 205 of the Communications Act.

128. In the 1996 Act, Congress made explicit the universal service objective of ''quality services'' at ''affordable rates'' and that ''low-income consumers . . . should have access to . . . advanced telecommunications and information services, that are reasonably comparable to those services provided in urban areas.'' In so doing, Congress embraced the Commission's Lifeline program and made clear that section 254 did not affect the pre-existing Lifeline program, stating ''[n]othing in this section [254] shall affect the collection, distribution, or administration of the Lifeline Assistance Program.'' The Commission has interpreted section 254(j) to give the Commission the authority and flexibility to retain or modify the Lifeline program even if the Lifeline program has ''inconsistenc[ies] with other portions of the 1996 Act.'' Moreover, the Commission found that, ''by its own terms, section 254(j) applies only to changes made [to Lifeline] pursuant to section 254 itself. Our authority to restrict, expand, or otherwise modify the Lifeline program through provisions other than section 254 has been well established over the past decade.''

129. Importantly, in 1997, when the Commission implemented the Telecommunications Act of 1996 and revised the Lifeline program, it found that it had the authority to provide Lifeline support to include carriers other than ETCs. At that time, however, the Commission decided that for administrative convenience and efficiency, it would only provide Lifeline support to ETCs. The Commission did observe that it would reassess this decision if it appeared Lifeline was not being made available to low-income consumers nationwide.

130. *Discussion.* Some commenters have argued that nothing in the statute requires ETC designation to receive Lifeline support and urged the Commission to revise its rules accordingly. Section 254(e) states that entities must be ETCs to receive ''specific Federal universal service support'' but does not specifically tie this requirement to Lifeline, even though Congress did explicitly mention the Lifeline program in other parts of section 254. Does the legislative history suggest that the Congress did not intend for the ETC to be a precondition to receive Lifeline support? The history of this provision suggests that the ETC was

created to address concerns about cream skimming to ensure deployment in rural areas for high cost support was not compromised, concerns which are not present with an affordability program. The Commission seeks comment on these issues.

131. Given the Commission's desire to promote competition for low-income consumers and the evidence that the ETC process is currently deterring such entry, the Commission seeks comment on revisiting the 1997 decision not to provide Lifeline support to non-ETCs to encourage broader participation in the Lifeline market. The Commission seeks comment on its legal authority to create a separate designation process for Lifeline. In particular, the Commission seeks comment on whether the Commission could provide Lifeline support based on universal service contributions made pursuant to section 254(d) authority, or would it need to adopt a separate mechanism relying on subsidies among rates as it used prior to the 1996 Act? The Commission has found that, ''by its own terms, section 254(j) applies only to changes made pursuant to section 254 itself. Our authority to restrict, expand, or otherwise modify the Lifeline program through provisions other than section 254 has been well established over the past decade.'' Do sections 1, 4(i), 201, and 205 give the Commission authority to do so? Does section 706 of the 1996 Act or other statutory provisions provide the Commission with authority to give certain non-ETCs Lifeline support? As above, the Commission also seeks comment on whether the collection and disbursement of funds under an approach based on section 706 (or other statutory provisions) would comport with federal appropriations laws.

132. The Commission seeks comment on the process and mechanism to designate providers for participation in the Lifeline program and separate from the ETC designation process. What information should providers submit to participate in the Lifeline program? What certifications or other information should be required? Should the Commission use a process similar to certifications in the E-rate or rural health care programs today?

133. In the Second FNPRM, the Commission is proposing and seeking comment on fundamental structural changes to the Lifeline program that further mitigate incentives for waste fraud and abuse, including removing the provider from determining eligibility. How do these changes impact the type of information and oversight necessary for Lifeline providers? For example, if the Commission reforms Lifeline to provide the subsidy to the consumer as a portable benefit, how does that impact the oversight necessary on the provider? Should the Commission consider a ''deemed grant'' approach to streamline approval? Should the Commission retain the use of compliance plans and, if so, should they be modified or changed? The Commission seeks comment on how to ensure sufficient oversight and accountability to reduce waste, fraud and abuse.

134. The Commission seeks comment on the federal-state role in creating a new designation process. Lifeline and universal service generally has always involved federal-state partnerships and the Commission seeks comment on how to continue that work as the Commission seeks comment on a new framework. The Commission seeks comment on pros and cons of creating a national designation versus a state-by-state approach, or a combination thereof where states with individual Lifeline programs could supplement any federal Lifeline designation with additional conditions.

135. The Commission seeks comment on the process of transitioning from designating ETCs to a new designation process. The Commission also seeks comment on opening a window for new providers to participate to help minimize administrative burdens on federal and state agencies. The Commission seeks comment on alternative approaches and how best to ensure that the Commission has sufficient checks and safeguards to address potential waste, fraud and abuse.

D. Modernizing and Enhancing the Program

136. In this section, the Commission seeks comment on two proposals to update its rules to reflect the manner in which consumers use Lifeline service today. The Commission finds that all consumers, including low-income consumers, should have access to the same features, functions, and consumer protections.

1. TracFone Petition for Rulemaking Regarding Texting

137. In light of the widespread use of text messages, and as part of the Commission's continuing efforts to modernize the Lifeline program, the Commission seeks comment on amending the Commission's rules to treat the sending of text messages as usage for the purpose of demonstrating usage sufficient to avoid de-enrollment from Lifeline service. In so doing, the Commission grants in part and denies in part a petition on this filed by TracFone. Specifically, the Commission grants that portion of Tracfone's petition that requests the initiation of a rulemaking proceeding to amend § 54.407(c)(2) of the Commission's rules to allow Lifeline subscribers to establish usage of Lifeline service by sending text messages. The Commission denies, however, the portion of TracFone's petition that requests the initiation of a rulemaking to also include receipt of text messages to count as usage. Because the subscriber cannot control whether others send texts, the receipt of such texts should not be used as a basis for concluding that the subscriber wishes to retain service. The Commission also denies the portion of Tracfone's petition that concerns a request for interim relief allowing subscribers to use text messaging to establish usage during the pendency of the requested rulemaking. While the Commission thinks there is enough merit to TracFone's proposal to seek comment on a rule change, the Commission is not yet certain enough to find good cause to waive the rule to allow text messaging to count as usage.

138. The Commission's rules currently require subscribers of prepaid Lifeline services to use the service at least once every 60 days. The Commission adopted that requirement to ensure that Lifeline providers do not receive Lifeline support for customers who do not actually use the service. The requirement only applies to prepaid services because the Commission found that subscribers to post-paid Lifeline providers do not present the same risk of inactivity as subscribers to pre-paid services.

139. In 2012, the Commission declined to include sending or receiving a text message in the list of activities that qualify as usage for purposes of § 54.407(c)(2) of the Commission's rules, on the basis that text messaging is not a supported service. While it is true that text messaging is not currently a supported service, it is widely used by wireless consumers for their basic communications needs. According to TracFone, the rapid increase in use of texting by subscribers of wireless service, and the reliance on text messaging by individuals who are deaf, hard of hearing, or have difficulty with speech, weigh in favor of amending the Commission's rules to allow text messaging as an activity that constitutes usage of service.

140. Allowing text messages to constitute usage would be a reversal of the Commission's previous decision. However, in light of the changes in consumer behavior highlighted by the extensive use of text messaging, the

Commission proposes to amend § 54.407(c)(2) of the Commission's rules to allow the sending of a text message by a subscriber to constitute usage. Is it appropriate to base a subscriber's intention to use a supported service on that subscriber's use of a non-supported service? The Commission also seeks comment on whether the distinctions between text messaging, voice, and email should remain relevant, for the purposes of the usage rules, given that all such transmissions may occur over the same broadband Internet access service. The Commission also seeks comment on the conclusion that we should not allow the receipt of text messages to qualify as usage, because this would leave control of whether the subscriber ''intended'' to use the service in the hands of others.

2. Subscriber De-Enrollment Procedures

141. In this section, the Commission proposes to adopt procedures to allow subscribers to terminate Lifeline service in a quick and efficient manner. The Commission has received anecdotal evidence that some subscribers cannot readily reach their Lifeline provider to terminate service, or their request to terminate service is not followed. As a result, funds are wasted for services that are either not used or no longer desired.

142. *Background.* In the 2012 *Lifeline Reform Order,* the Commission codified rules requiring Lifeline providers to de-enroll any subscriber indicating that he or she is receiving more than one Lifeline-supported service per household, or if the subscriber neglects to make the required one-per-household certification on his or her certification form. In order to ensure consumers are fully informed about the terms of usage, the Commission also adopted rules requiring pre-paid Lifeline providers to notify their subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and that de-enrollment and deactivation will result following non-usage in any 60-day period of time. The Commission also required Lifeline providers to update the database within one business day of de-enrolling a consumer for non-use. These rules were adopted, among other reasons, to substantially strengthen protections against waste, fraud, and abuse and improve program administration and accountability. The Commission reasoned that ''[a]dopting usage requirements should reduce waste and inefficiencies in the Lifeline program by eliminating support for subscribers who are not using the service and reducing any incentives ETCs may have to continue to report line counts for subscribers that have discontinued their service.''

143. Although § 54.405(e)(1) of the Commission's rules requires Lifeline providers to de-enroll subscribers when an Lifeline provider has a reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Lifeline provider or the state that he or she is ineligible for Lifeline), this provision does not cover those situations where, for whatever reason, subscribers themselves wish to terminate Lifeline services.

144. *Discussion.* The Commission proposes to require Lifeline providers to make readily available a 24 hour customer service number allowing subscribers to de-enroll from Lifeline services, for any reason, and codify the obligation that Lifeline providers must implement the subscriber's decision within two business days of the request. The Commission seeks comment on this proposal.

145. The Commission seeks further comment on requiring Lifeline providers to publicize their 24-hour customer service number in a manner reasonably designed to reach their subscribers and indicate, on all materials describing the service that subscribers may cancel or de-enroll themselves from Lifeline services, for any reason, without having to submit any additional documents. For the purposes of this rule, the Commission proposes that the term ''materials describing the service'' includes all print, audio, video, and web materials used to describe or enroll in the Lifeline service offering, including application and certification forms and materials sent confirming initiation of the service. The Commission seeks comment on a rule requiring Lifeline providers to record such requests for termination and make such records available to state and Federal regulators upon request. The Commission also makes clear that a Lifeline provider's failure to respect their subscribers' wishes to de-enroll from Lifeline service may subject the Lifeline provider to enforcement action.

146. The Commission seeks comment on whether it should require a particular authentication process or leave that decision up to each Lifeline provider. In order to make this process easy for the subscriber wishing to terminate Lifeline service, the Commission proposes that ETCs authenticate subscribers solely through social security numbers, account numbers, or some other personal identification verifying the subscriber's identity. In order to minimize the burden on Lifeline providers implementing these de-enrollment procedures, including any customer authentication processes the Commission adopts, the Commission further proposes that any rules regarding subscriber de-enrollment shall become effective six months after the release of an order implementing such rules, and seeks comment on this proposal. However, the Commission notes that, prior to the effective date of any requirements in this section, a Lifeline provider's failure to de-enroll the subscriber within a reasonable period of time upon request may constitute a violation of the Act and the Commission's rules.

147. The Commission seeks comment on alternative ways to achieve the same goals. Relatedly, the Commission seeks comment on revising § 54.405(e)(1) of the Commission's rules to require Lifeline providers to de-enroll subscribers within five business days. The Commission also seeks comment on any other barriers to implementation the Commission should consider related to subscriber de-enrollment. The Commission believes that these rules will further its interest in reducing waste and fraud, improve program administration and accountability, and facilitate subscriber choice and ultimate control over their Lifeline service.

3. Wireless Emergency Alerts

148. Wireless Emergency Alerts (WEA) play an important role in the nation's alerting and public warning system. Participating carriers send, free-of-charge to their subscribers, text-like messages alerting subscribers of emergencies in their area, falling under one of the following three classes: (1) Presidential alerts, (2) imminent threats, and (3) child abduction emergency, or AMBER, alerts. This system (formerly known as the Commercial Mobile Alert System) allows authorized government agencies to send geographically targeted emergency alerts to commercial wireless subscribers who have WEA-capable mobile devices and whose commercial wireless service provider has elected to offer the service. Under the WARN Act, participation in WEA system by wireless carriers is widespread but entirely voluntary. As a result, not all CMS providers currently provide WEA service or do not intend to provide WEA service through their entire service areas.

149. The Commission seeks comment on ways to increase Lifeline provider participation in WEA. Are there measures the Commission could take to encourage support of WEA, consistent with the Commission's legal authority and core mission to promote the safety

of life and property through communications? To what extent do Lifeline providers, both facilities-based and non-facilities-based, already support WEA today? The Commission observes that under the WARN Act, participation is voluntary; do providers have sufficient incentive to participate in WEA on a voluntary basis? In order to ensure that Lifeline service keeps pace with the IP-based network transitions, as well as evolving consumer needs, the Commission seeks comment on what additional public safety functionalities or capabilities it should consider as a critical component of Lifeline service offerings.

E. Efficient Administration of the Program

150. In this section of the Second FNRPM, the Commission seeks comment on a number of reforms to increase the efficient administration if the program.

1. Program Evaluation

The Government Accountability Office has recommended that the Commission conduct a program evaluation to determine how well Lifeline is serving its intended objectives. For example, one of the goals that the Commission has set for the Lifeline program is increasing the availability of voice service for low-income Americans, measured by the difference in the penetration rate (the percentage of households with telephone service) between low-income households and households with the next highest level of income. Without a program evaluation, however, GAO reports that the Commission is currently unable to determine the extent to which Lifeline has assisted in lowering the gap in penetration rates. The Commission therefore seeks comment on whether a program evaluation is needed to determine the extent to which Lifeline has contributed towards fulfilling its goals, such as narrowing the gap in telephone penetration rates, and at what cost. Is this the right goal for Lifeline program or should it focus on affordability? Should the Commission focus on measuring program efficiency by determining the amount of people who no longer need Lifeline? In measuring the effectiveness of Lifeline on low-income broadband subscribers, how can the Commission capture the benefits that flow from getting consumers connected, such as the ability to obtain employment, education and improve their health care? How should a program evaluation be structured? How expensive would it be to implement? Moreover, if Lifeline is expanded to include broadband support, how could we evaluate the effectiveness of such an expansion? What metrics and timeframe should the Commission use to determine whether such funds were being spent efficiently?

2. Tribal Lands Support

151. The Commission now turns to the universal service support provided to low-income recipients residing on Tribal lands, often referred to as enhanced Tribal support. Enhanced support provides a higher monthly subsidy amount as well as Link Up at service activation. In this section, the Commission seeks additional information on whether and how enhanced Tribal support is being utilized on Tribal lands, and whether the minimum service level for Tribal consumers should be different from the proposed minimum service levels for other consumers. The Commission also seeks comment on narrowly tailoring enhanced support to ensure that it actually supports the deployment of infrastructure. It also seeks comment on requiring additional documentation to demonstrate that a subscriber resides on Tribal lands.

152. *Background.* The Commission recognizes its historic federal trust relationship with federally recognized Tribal Nations, has a longstanding policy of promoting Tribal self-sufficiency and economic development, and has developed a record of helping ensure that Tribal Nations and their members obtain access to communications services. It is well documented that communities on Tribal lands historically have had less access to telecommunications services than any other segment of the U.S. population. Given the difficulties many Tribal consumers face in gaining access to basic services by living on typically remote and underserved Tribal lands, the Commission recognizes the important role of universal service support in helping to provide telecommunications services to the residents of Tribal lands.

153. Under the current rules, Lifeline providers that are authorized to provide service on Tribal lands may receive the $9.25 per month that is offered for any eligible low-income consumer and an additional amount of up to $25 per month for service provided to eligible low-income residents of Tribal lands—a total of up to $34.25 per month for each eligible low-income consumer on Tribal lands. Additionally, under the current enhanced Link Up program, Lifeline providers that receive high-cost support on Tribal lands may receive a one-time support payment of up to $100 for each eligible low-income subscriber on Tribal lands enrolled in the Lifeline program to cover the cost of connecting a consumer to service.

154. In the 2000 *Tribal Order,* 65 FR 12280, August 4, 2000, the Commission adopted several measures to improve low-income support for eligible residents living on Tribal lands, including the adoption of enhanced Lifeline and Link Up support. The Commission stated that the additional support might provide Lifeline providers an incentive to ''deploy telecommunications facilities in areas that previously may have been regarded as high risk and unprofitable'' and also to attract needed financing of facilities on Tribal lands. The Commission noted that, ''unlike in urban areas where there may be a greater concentration of both residential and business customers, carriers may need additional incentives to serve Tribal lands that, due to their extreme geographic remoteness, are sparsely populated and have few businesses.'' The Commission believed the enhanced Lifeline and Link Up support would encourage Lifeline providers to construct facilities on Tribal lands that lacked such facilities, encourage new entrants offering alternative technologies to seek ETC status, and address the high toll charges that Tribal residents incur.

155. In its 2012 Annual Report, the Commission's Office of Native Affairs and Policy provided case studies that showed the benefits of enhanced Tribal support and what some Tribal Nations have been able to achieve in terms of affordable and accessible service on Tribal lands. For many Tribally-owned ETCs, for example, the names Lifeline and Link Up resonate strongly, given the very high levels of unemployment in Tribal lands, the very high percentage of Tribal families with incomes well under the Federal Poverty Guidelines, and the remote nature of Tribal Reservations. For example, seventy-eight percent of Hopi Telecommunications Inc.'s (HTI) residential customers are eligible for Lifeline. The Lifeline and Link Up programs have been vital assets as HTI has expanded the reach and adoption of communications services across the Hopi Reservation. While the Commission recognizes the benefits that enhanced Tribal support have provided to date, however, Tribal Nations have indicated that there is still much that can be done to encourage infrastructure build-out and improve the level of telecommunications service and affordability of those services for Tribal residents.

156. *Impact of Enhanced Lifeline and Link Up.* The Commission seeks

additional information and data on the utilization of enhanced Lifeline and Link Up support for consumers on Tribal lands and the carriers that serve them. How is the enhanced Lifeline support utilized by carriers and how does it benefit consumers on Tribal lands? How much do residents of Tribal lands typically pay per month for voice service without enhanced Lifeline support? Does the additional $25 per month subsidy achieve the intended goal of making voice service affordable for residents of Tribal lands? If not, how should the Commission modify this to better effectuate the intended goal? What types of service plans are offered on Tribal lands, and how do they differ if the consumer receives enhanced Lifeline support from a wireless or a wireline carrier? How many minutes are offered to consumers on Tribal lands receiving enhanced Lifeline support?

157. The Commission also seeks comment, information, and data on the utilization of enhanced Link Up support for the benefit of consumers on Tribal lands and the carriers that serve such consumers. How is the subsidy utilized by carriers and how does it affect the services delivered to consumers on Tribal lands? How much do residents of Tribal lands pay and how much do carriers charge for connecting a Tribal resident to voice service? What are the variables affecting how much is charged? Does the Link Up subsidy achieve the intended goal of making telephone service available and affordable for residents of Tribal lands? If not, how should the rule be modified to better effectuate the intended goal? If enhanced Tribal Link Up was eliminated, what effect would it have on affordability?

158. Additionally, the Commission knows there are many factors that contribute to whether telecommunications service is available and affordable for low-income consumers living on Tribal lands. What policies or practices should the Commission adopt to ensure that the Lifeline and Link Up programs are successful on Tribal lands? What measures should be implemented to prevent waste, fraud, and abuse?

159. *Infrastructure Deployment.* Recognizing that one of the Commission's original intentions in adopting enhanced Tribal Lifeline support was to encourage deployment and infrastructure build-out to and on Tribal lands, the Commission seeks comment on the extent to which new infrastructure development and deployment has resulted from enhanced Tribal support. In particular, the Commission seeks data and comment on where and what types of infrastructure deployments have occurred on Tribal lands in the last 14 years. What drives the successful build-out of telecommunications infrastructure on Tribal lands? Specifically, the Commission seeks comment on what measurable benefits the additional $25 per month in Lifeline support and the $100 in Link Up support provide towards infrastructure deployment and the decisions about where and how to build infrastructure on and to Tribal lands. For example, has enhanced support resulted in additional deployment in areas that may have been regarded as ''high risk and unprofitable,'' or has it attracted needed financing of facilities on unserved Tribal lands, as the Commission originally intended?

160. Lifeline program data show that two-thirds of enhanced Tribal support goes to non-facilities-based Lifeline providers, and it is unclear whether the support is being used to deploy facilities in Tribal areas. The Commission proposes, therefore, to limit enhanced Tribal Lifeline and Link Up support only to those Lifeline providers who have facilities. Should there, for example, be different approaches to enhanced support provided to non-facilities-based Lifeline providers serving Tribal lands? One option would be to limit enhanced Lifeline support only to those ETCs currently receiving high-cost support, similar to the Commission's Link Up reforms. Another option would be to adopt the proposal of the OCC that the Commission limit enhanced Lifeline support to those Lifeline providers that are deploying, building, or maintaining infrastructure on Tribal lands, even if they do not or are not eligible to receive high-cost support. The Commission seeks comment on the benefits and drawbacks to these proposed options. What would be the impact of such limitations on the provision of Lifeline-supported service to residents of Tribal lands? How can the Commission best accomplish the objective of encouraging build out to Tribal lands?

161. If the Commission were to adopt a rule limiting enhanced Lifeline support as proposed above, the Commission seeks comment on whether the annual submission of FCC Form 481 would be sufficient to determine whether a Lifeline provider was deploying, building, or maintaining infrastructure on Tribal lands. Would any changes to that form be required to document that the build-out was occurring on Tribal lands? For those Lifeline providers that either are not receiving or are not eligible for high-cost support, but seek to receive enhanced Lifeline support consistent with the OCC proposal, what documentation would be necessary to ensure that build out was occurring on Tribal lands? Should such a Lifeline provider have to demonstrate that it is continuing to build infrastructure on Tribal lands?

162. The Commission also seeks comment on whether we should focus enhanced Tribal support to those Tribal areas with lower population densities, on the theory that provision of enhanced support in more densely populated areas is inconsistent with the Commission's objectives. In the 2000 *Tribal Order,* the Commission determined that the ''unavailability or unaffordability of telecommunications service on tribal lands is at odds with our statutory goal of ensuring access to such services to '[c]onsumers in all regions of the Nation, including low-income consumers.' '' In response, the Commission established the enhanced Tribal Lifeline subsidy of up to an additional $25 available to qualified residents of Tribal lands in order to incentivize increased ''telecommunications infrastructure deployment and subscribership on tribal lands.'' Given the Commission's desire to use enhanced support to incent the deployment of facilities on Tribal lands, the Commission seeks comment as to whether it is appropriate to provide such enhanced support in areas with large population densities where advanced communications facilities are widely available. The Commission seeks comment on whether it is appropriate, given the Commission's goals, to focus enhanced Tribal support in this manner. Should the Commission focus enhanced support only on areas of low population density that are likely to lack the facilities necessary to serve subscribers? Should the Commission exclude urban, suburban, or high density areas on Tribal lands?

163. Certain Tribal lands have within their boundaries more densely populated locations, such as Tulsa, Oklahoma, which is eligible for enhanced Tribal Lifeline support as it is within a former reservation in Oklahoma, but nonetheless has a comparatively high population density compared to many other Tribal lands. The Commission notes there are other potential locations on Tribal lands, such as Chandler, Arizona; Reno, Nevada; or Anchorage, Alaska. If we adopted an approach that focused Tribal support on less densely populated areas, what level of density would be sufficient to justify the continued receipt of enhanced Tribal lands support? What level of geographic granularity should we

examine to apply any population density-based test? The Commission notes that, with respect to Tulsa, Oklahoma, the history of Tribal lands in Oklahoma has led at least one other federal program to exclude certain higher density Tribal lands from Tribal income assistance programs in Oklahoma. For instance, the United States Department of Agriculture's (USDA) Food Distribution Program on Indian Reservations (FDPIR) excludes from eligibility residents of towns or cities in Oklahoma greater than 10,000. The Commission seeks comment on whether we should implement a similar approach that excludes urban areas on Tribal lands from receiving enhanced Tribal support. The Commission directs ONAP, in coordination with the Bureau, and other Bureaus and Offices as appropriate, to engage in government-to-government consultation with Tribal Nations to develop the record and obtain the perspective of Tribal governments on this question.

164. *Changes to Self-Certification Requirement.* The Commission seeks comment on whether to require additional evidence of residency on Tribal lands beyond self-certification. The Commission recognizes that there may be challenges in verifying Tribal residency, but it is concerned that a lack of verification may provide opportunities for waste, fraud, and abuse, particularly in light of the substantial enhanced support currently available to Lifeline providers operating on Tribal lands. The Commission also seeks comment on the manner in which residents of Tribal lands living at non-standard addresses should prove their residence on Tribal lands. Should the obligation to confirm Tribal residency rest with the Lifeline provider, rather than the subscriber? If the Commission implements a requirement to verify Tribal lands residency, what impact will that have on potential eligible, low-income and current eligible, low-income subscribers of Lifeline? The Commission specifically invites and will foster government-to-government consultation with Tribal Nations on these matters.

3. E-Sign

165. In this section, the Commission seeks comment on ways to strengthen the integrity of electronic signatures in a manner that is both consistent with the Electronic Signatures in Global and National Commerce Act and that increases protections against waste, fraud, and abuse. The Commission also seeks comment on reforms to ensure that the clear intent of the subscriber to enroll in Lifeline and his/her understanding of the rules is reflected in the completed Lifeline application.

166. *Background.* The *2012 Lifeline Reform Order* clarified that Lifeline providers could obtain electronic signatures from potential or current subscribers certifying eligibility pursuant to § 54.410 of the Commission's rules. The Commission determined that electronic signatures and interactive voice response systems allow Lifeline providers to simplify their enrollment procedures for consumers applying for Lifeline service and that it is in the public interest to allow such signatures. While the E-Sign Act contains a strong presumption in favor of permitting electronic signatures or electronic records between private parties in transactions involving interstate or foreign commerce, it also permits federal and state agencies to issue rules and guidance pertaining to electronic signatures and records, consistent with the E-Sign Act. The Commission notes that simply making a signature or record electronic does not inoculate the record from concerns about fraud or abuse. To the extent an electronic signature or record raises concerns about fraud or abuse in the Lifeline context, the Commission and/or USAC may investigate how the signature was obtained and the record (*e.g.,* certification or recertification form) finalized. Illegible signatures, similarities between signatures, or automatically generated signatures, in the absence of more information about how the signature was generated, may well raise questions about whether the named subscriber in fact had ''the intent to sign the record.''

167. *Discussion.* The Commission recognizes the ever increasing use of tablets and other electronic devices to sign up potential Lifeline subscribers, and laud Lifeline provider efforts to reach out to legitimate subscribers who can benefit from Lifeline service. Nevertheless, given the Commission's responsibility to safeguard the Fund from waste, fraud, and abuse, it must ensure that new technologies are deployed with adequate protections and mechanisms that permit oversight. Thus, the Commission seeks comment at this time on the types of techniques or processes whose use might, in the event of an investigation or audit, show that an electronic signature is valid.

168. In responding to this query, commenters may also take note of other proposals in this *Second FNPRM* and state whether coupling certain signature verification processes with additional proposed safeguards may help in demonstrating that a signature is in fact a valid ''electronic signature.'' In other words, does the signature shown on the electronic certification form in fact reflect the subscriber's intent to sign up for Lifeline service?

169. The Commission seeks comment on whether adopting regulations based on what state governments or other federal agencies have done would be suitable in this context. The Commission recognizes that in many instances state and federal regulations concern transactions between a state or federal agency and the public, perhaps allowing for greater government leeway in determining what specific technology should be used. While the Commission does not wish to dictate the use of technologies, it cannot permit a system where a random stray mark, attributed to stylus difficulties, or an automatically generated signature, without more constitute valid signatures. In this regard, the Commission seeks comment on what safeguards Lifeline providers have adopted to date to ensure that an electronic signature represents the named subscriber's ''intent to sign the record.'' The Commission also seeks comment on the utility of requiring service providers to retain the IP, or other unique identifier, such as a MAC address, affiliated with the email or device that was used for signing up a subscriber. The Commission seeks comment on whether such mechanisms might be useful in detecting and ultimately curtailing fraud. For example, would retaining the MAC addresses associated with iPads used by sales agents enable service providers and, if the need should arise, regulators to better monitor the sign-up practices of such agents? Such an approach would assist companies and auditors in determining patterns of fraudulent behavior by agents or a subset of agents within the company.

170. Moreover, as an added protection, to ensure all subscribers truly understand the certifications they are making, the Commission proposes that all written certifications (irrespective of whether they are in paper or electronic form) mandate that subscribers initial their acknowledgement of each of the requirements contained in 47 CFR 54.410(d)(3). In proposing these requirements, the Commission emphasizes that Lifeline service providers remain mindful of their obligation under 15 U.S.C. 7001(e) to ensure that an electronic record be in a form that is capable of being retained and accurately reproduced for later reference. In this regard, the Commission finds that it is consistent with section 7001(e) of the E-Sign Act that Lifeline providers be able to

reproduce their certification and recertification forms, along with the actual signatures placed on the forms, in the event of a federal or state inquiry. The Commission seeks comment on these proposals.

4. The National Lifeline Accountability Database: Applications and Processes

171. As part of the Commission's ongoing efforts to guard against waste, fraud, and abuse in the Lifeline program, we propose a number of additional applications to the NLAD, including the use of the NLAD to calculate Lifeline providers' monthly Lifeline reimbursement. The Commission seeks comment on this proposal and others below.

172. *Using the NLAD for Reimbursement.* The Commission seeks comment on the legal and administrative aspects of transitioning to a process whereby Lifeline providers' support is calculated based on Lifeline provider subscriber information in the NLAD. For example, how would officers continue to make the monthly certifications now required on the FCC Form 497 in the NLAD? Should the Commission consider requiring officers to make a separate electronic certification? The Commission in the 2012 *Lifeline Reform Order* permitted states to opt out of the NLAD by demonstrating that they had a comprehensive system in place to check for duplicative federal Lifeline support. To date, four states and one territory have received permission to opt out of the NLAD and Lifeline providers serving Lifeline subscribers in those states are not required to submit subscriber information to the NLAD. If the Commission decides to calculate Lifeline support based on Lifeline provider submissions to the NLAD, would Lifeline providers operating in states that opted out of the NLAD be required to continue to file FCC Form 497s for those states?

173. The Commission notes that in the national verifier section above, it sought comment on whether it would be equitable and non-discriminatory pursuant to section 254(d) to require only those Lifeline providers that will benefit from the functions of the national verifier to contribute to its implementation and operation through additional USF funds. Since only certain Lifeline providers will utilize the NLAD, just as the national verifier, the Commission seeks comment on whether it is equitable and non-discriminatory to require Lifeline providers that will utilize the benefits of the NLAD to contribute additional USF funds pursuant to section 254(d). Under this proposal, how would support be allocated amongst the contributing Lifeline providers? Would Lifeline providers that utilize the NLAD more than other Lifeline providers be required to pay more? What methodology should the Commission use if implementing this support mechanism?

174. The Commission also asks about methods to address situations in which there is a dispute about a Lifeline provider's subscribership. The Commission's rules, for example, currently require that the NLAD be updated with subscriber de-enrollments within one business day. If Lifeline providers receive reimbursement from the NLAD, should this rule be modified to ensure that Lifeline providers do not receive reimbursement for subscribers that they no longer serve? The NLAD incorporates a dispute resolution process whereby Lifeline providers have an opportunity to ensure that eligible subscribers are not inadvertently rejected by the NLAD as ineligible. How should support for subscribers in the dispute resolution process be treated for the purpose of determining Lifeline support? What additional safeguards against fraud, if any, should be implemented in the NLAD in light of a direct relationship between subscriber counts in the NLAD and receipt of payment?

175. *Transition Period.* The Commission recognizes that using information in the NLAD to generate Lifeline provider support payments may constitute a substantial change in the way Lifeline providers operate and USAC administers the program. The Commission therefore proposes to establish a transition period to ensure that Lifeline providers and USAC have put in place the necessary systems and processes. The Commission seeks comment on the length and contours of such a transition period.

176. *Fees for Using the NLAD TPIV Search.* To date, the costs associated with developing the NLAD, maintaining the applications and all of its functionalities, including the Third-Party Identification Verification (TPIV) check, have come from the Fund. The Commission seeks comment on whether Lifeline providers should pay some or all of the cost for TPIV checks and whether the Commission has the authority to impose such a requirement. These costs are incurred on a per-transaction basis and are paid for by the Fund to the TPIV vendor. At the request of the industry, USAC implemented a process to permit Lifeline providers to submit subscriber information through the TPIV check prior to enrolling the subscriber. Running the TPIV check prior to determining whether to enroll a potential subscriber might be considered a routine customer acquisition cost and, viewed in this light, it might be appropriate to require Lifeline providers to pay this cost. In addition, the TPIV check is run again when the subscriber is actually enrolled in the NLAD. The Commission seeks comment on whether some or all of the costs associated with running a TPIV check within the NLAD should be paid for by Lifeline providers. Are there other ways that the NLAD can recoup the cost of TPIV functionality? The Commission seeks comment on whether the NLAD should recoup the cost of TPIV functionality through additional contributions from Lifeline providers to the Fund that utilize the TPIV functionality. The Commission seeks comment on whether recouping the costs of TPIV functionality through contributions from those Lifeline providers that utilize the functionality would be equitable and non-discriminatory pursuant to section 254(d). Similarly, the Fund currently pays for the recertification process for those Lifeline providers that elect to use USAC. Should Lifeline providers be required to pay for some or all of that cost?

177. *Additional Applications of and Changes to NLAD and Related Processes.* The Commission also seeks comment on using the information stored in the NLAD for other aspects of the Lifeline program. For example, should USAC use subscriber information in the NLAD to perform recertification in those instances where a Lifeline provider selects USAC to perform the recertification? The Commission seeks comment on the manner in which the NLAD currently works and whether there are changes that could be made that would further limit the potential for waste, fraud, and abuse.

5. Assumption of ETC Designations, Assignment of Lifeline Subscriber Base and Exiting the Market

178. The Commission proposes rules to minimize the disruption to Lifeline subscribers associated with the transfer of control of ETCs or the sale of assets and lists of customers receiving benefits under the program, as well as the transfer of ETC designations between providers. The Commission seeks comment on proposals for when it should permit an ETC to assume an ETC designation from another carrier. The Commission also proposes establishing notification requirements when a carrier sells or otherwise transfers Lifeline

subscribers to another provider or exits the market. Today, in order to receive reimbursement for providing Lifeline service to qualified-low-income consumers, a carrier must be an ETC. Although state commissions have primary responsibility for designating ETCs under section 214(e)(2) of the Act, that responsibility shifts to the Commission for carriers ''providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.'' The Bureau has previously determined that the transfer of control of licenses and other authorizations from an entity already designated as an ETC to another entity that has not been designated as an ETC is insufficient for the transferee to assume the ETC status of the acquired ETC. Rather, the transferee must petition the proper designating authority for its own designation. The transferee is an ETC only after the relevant authority determines that the transferee satisfies all the requirements of the Act.

179. The Commission also requires any non-facilities-based carriers seeking to offer Lifeline service to submit to the Bureau and receive approval of a compliance plan. The approval of a compliance plan is limited to the entity, and its ownership, as they are described in the compliance plan approved by the Bureau, and any material changes in ownership or control require modification of the compliance plan that must be approved by the Bureau in advance of the changes. The Commission has not otherwise addressed specific requirements on ETCs that seek to transfer a Lifeline subscriber to another entity.

180. Finally, section 214 of the Act requires domestic telecommunications carriers to obtain authorization to undertake acquisitions of assets such as by the purchase of transmission lines or customers, or through acquisition of corporate control, such as by acquisitions of equity ownership. The Commission treats acquisitions, whether they are through a stock or asset transaction, in the same manner by requiring section 214 approval prior to consummation of the transaction. In cases in which a carrier does not transfer its subscriber base to another entity but instead discontinues service for those customers, the carrier must obtain authorization from the Commission prior to discontinuing the service. In practice, however, today these rules apply to wireline or fixed wireless service ETCs, either facilities-based or resellers. The Commission has forborne from imposing the section 214(a) requirements on commercial mobile radio service (CMRS) providers' provision of domestic telecommunication services.

181. *Assumption of ETC Designations.* The Commission proposes requirements to facilitate assumption of ETC designations in which the Commission is the designating authority (FCC Designated ETCs). In circumstances when an entity seeks to acquire an FCC Designated ETC, the Commission proposes to continue to require an acquiring entity that has not been designated as an ETC by the Commission to file a petition with the Commission seeking ETC designation for the jurisdictions subject to the proposed transaction involving the FCC Designated ETC and await Commission action in determining whether such petition satisfies all the requirements of the Act just as carriers are required to do today. For the questions below, the Commission also seeks comment on applying a similar process if the Commission provides Lifeline support to non-ETCs or creates a separation designation.

182. The Commission proposes that these requirements would apply when the acquiring entity becomes the ETC using a different corporate name or operating entity, and also would apply when the acquiring entity maintains the acquired ETC's corporate name or operating entity. In proposing such requirements, the Commission seeks comment on the approval process and obligations for all impacted entities, including the acquired ETCs. The Commission also proposes that these requirements would not apply to designations in which the acquired entity was designated by the state and the state continues to exercise authority to designate such carriers (State Designated ETCs). The Commission is persuaded that entities it has never evaluated as an ETC should continue to have the obligation to file their own ETC petition and that a more streamlined approach is better suited for transactions where the acquiring entity is an existing FCC Designated ETC.

183. The Commission proposes a more streamlined approach for transactions where the acquiring entity is also an FCC Designated ETC. The Commission has already evaluated whether such entities satisfy the requirements of the Act so there is a presumption it is unnecessary for the Commission to undertake the same analysis again. The Commission seeks comment on requiring an acquiring entity that is an FCC Designated ETC, and where such designation has not been relinquished or revoked, to notify the Commission of its intent to assume control of the FCC Designated ETC held by the acquired entity, details of the transaction, how the acquiring entity is financially and technically capable to offer Lifeline service to the selling carrier's Lifeline subscribers, and how allowing the acquiring entity to assume the selling carrier's ETC designation is in the public interest. To comply with a Commission notification requirement, the Commission seeks comment on the period of time that an acquiring entity would notify the Commission of its intent to acquire or assume the selling carrier's ETC designation and the details contained in such notice, including whether such transaction involved high-cost support prior to consummation of the transaction. If the Commission or Bureau does not act on the ETC's notification within a certain period, the Commission proposes that the transaction would be deemed approved and seek comment on that period of time. If the Commission or Bureau acts on the ETC's notification within the designated period of time via Public Notice or other type of notice to impacted entities, the proposed transaction would not take effect until the Commission or Bureau take affirmative action on the proposed transaction. The Commission seeks comment on this process for the Commission or Bureau to act regarding such transactions, and whether the process should change if there is an underlying transaction connected with the assumption or transfer of the ETC designations (*e.g.,* transfer of licenses required to provision wireless service, obligations specific to section 214 of the Act).

184. The Commission recognizes that states, as designating authorities, have their own procedures to address the assumptions and transfers of ETC designations. The Commission seeks comment from states and third parties on whether we should consider certain state procedures addressing transfer of ETC designations in modifying the Commission's processes.

185. *Requirements for the Assignment of Subscriber Base.* In addition to procedures for the assumption or transfer of ETC designations, the Commission proposes to adopt rules to govern the sale or transfer of its Lifeline subscriber list to another service provider, including any rules regarding the transfer of subscribers between ETCs within the NLAD. To make certain all relevant authorities and the affected Lifeline subscribers are aware of a transaction in which one provider acquires another ETC or its Lifeline subscriber base, the Commission seeks comment propose rules to ensure

adequate notice is given to relevant parties.

186. Specifically, the Commission proposes requiring an acquiring carrier that is not currently subject to the 214 requirements, or already subject to Commission approval of the underlying transaction (*i.e.,* transfer of licenses required to provision wireless service), to provide notice to the affected customers, Commission, USAC, and the state designating authority of the transaction involving assignment of the Lifeline subscriber base. The Commission has previously adopted rules to implement section 214 that require telecommunications carriers other than CMRS providers to seek authorization from the Commission of forthcoming transfers of control or assignment of assets such as subscriber lists from one provider to another. By extension, the Commission is persuaded that the Commission, USAC, state designating authorities, and, most importantly, affected Lifeline subscribers, should have notice of such transactions (including those involving CMRS providers) to ensure that subscribers have the option of choosing alternative providers and that the relevant authorities are on notice of such transfers to ensure compliance with Lifeline program rules. If the Commission were to adopt such requirements, the Commission seeks comment on the time period and content for such notice to each of the affected parties—affected subscribers, the Commission, USAC, and the state designating authority.

Exiting the Lifeline Market. In some circumstances, a Lifeline provider may stop providing Lifeline service and we propose in such situations that the Lifeline provider's subscribers be provided notice of the upcoming event. For example, when ETCs decide to exit the market or transfer to a non-ETC, the Commission seeks comment on whether the ETC should give affirmative notice to the Commission and its affected Lifeline subscribers that it will no longer be providing Lifeline service, if it is not already subject to such an obligation. The Commission notes that CMRS-provider ETCs, for example, are not subject to the Commission's discontinuance rules. The Commission seeks comment on applying this requirement to any ETCs or non-ETCs that are not subject to the Commission's discontinuance rules. The Commission is concerned that the absence of such notification rules in the circumstances described above could lead to consumer disruption or encourage waste and abuse of the Lifeline program. What form should such notices take? Should notices also be sent to states, USAC, or other entities?

187. The Commission proposes that this requirement would be a condition of receipt of Lifeline support. Under this scenario, the Commission is not proposing to reinstate the discontinuance authorization rules for which the Commission has forborne for CMRS providers. The notice requirements the Commission seeks comment on here are not pre-approval requirements but are intended to ensure that Lifeline consumers have the opportunity to seek an alternative provider. The notice provisions would also support the Commission's efforts against waste by requiring providers to inform regulators before exiting the market and attempting either to benefit from exit transactions or to shift funds away before USAC or the Commission could obtain repayment, if appropriate. The Commission seeks comment on such requirements and the impact to the affected subscribers.

188. *Other Requirements.* The Commission also seeks comment on any other notice requirements for the transfer of Lifeline subscribers or discontinuance of service. The Commission notes that some states have specific requirements concerning the transfer of Lifeline subscribers and the Commission seeks comment on whether it should look to a certain state to serve as a model for national rules governing transfer of subscribers among ETCs.

189. In regards to transfers among entities, the Commission also notes that any material changes in ownership or control of entities with approved compliance plans require modification of those compliance plans, which in turn, must be approved by the Bureau in advance of changes. To facilitate transfers between entities with approved compliance plans, should the Commission consider other rules that will minimize disruption to Lifeline subscribers? Should the Commission also consider other rules to minimize disruption to Lifeline subscribers associated with the transfer of control of ETCs receiving benefits under the program, as well as the transfer of ETC designations between providers? Given that a majority of states designate competitive ETCs, the Commission seeks comment from states on these matters. The Commission seeks comment on whether states impose discontinuance of service requirements on CMRS ETCs and if so, whether those states' requirements should serve as a model for the Commission's rules.

6. Shortening the Non-Usage Period

190. As part of the Commission's ongoing efforts to reduce waste and inefficiency in the Lifeline program, the Commission proposes to reduce the non-usage interval to 30 days. In the *Lifeline Reform Order,* the Commission amended its rules to prevent ETCs from receiving Lifeline support for inactive subscribers. At that time, the Commission determined that imposing a 60-day usage period appropriately balanced the interests of subscribers and commenters, as well as the risks associated with potential waste in the program. However, the Commission now seeks comment on whether the 60-day period of time is too long and should be reduced to 30 days. Would reducing the time period benefit the program and help us to better achieve the Commission's goals to reduce waste, fraud, and abuse in the program? How would this change affect consumers? If the Commission modified the non-usage period, should it also modify the notice period?

191. The Commission further seeks comment on how this change would impact ETCs. Would a reduction in the usage period cause administrative burdens for ETCs? If yes, what are the burdens and would there be ways to minimize these burdens? Are there benefits to reducing the non-usage period, for example, to 30 days instead of the current 60 days?

7. Increasing Public Access to Lifeline Program Disbursements and Subscriber Counts

192. To increase transparency and promote accountability in the program, the Commission proposes to direct USAC to modify its online disbursement tool to display the total number of subscribers for which the ETC seeks support for each SAC, including how many are subscribers for which it claims enhanced Tribal support. Making this data more accessible will allow the public to more easily ascertain the number of subscribers that each ETC serves within each SAC on a monthly basis.

193. Within the Lifeline program, ETCs provide discounts to eligible households and receive support from the Fund for the provision of such discounts. ETCs submit an FCC Form 497 to USAC on a monthly or quarterly basis, which lists the number of subscribers it served for the previous month(s) and the requested support amount. USAC has a disbursement tool available on its Web site that provides the disbursement amounts that are authorized for payment for a particular

month within each study area code (SAC) based on the ETC's submission of its FCC Form 497. While the FCC Form 497 includes the number of subscribers the ETC served for the previous month(s), the USAC Web site does not currently display this information.

194. Even though the public can already derive Lifeline subscriber counts from USAC's Web site and Quarterly Reports, we propose this additional transparency step so the public, including state commissions and policymakers at the state and federal levels, can more easily examine these aspects of the program through one resource. In proposing these modifications, the Commission seeks comment on the impact to ETCs. The Commission also seeks comment on whether there are other modifications to USAC's disbursement tool that should be made to promote transparency and accountability in the program. For example, should USAC modify the disbursement tool to provide more clarity on an ETC's adjustments made to its FCC Form 497 filings within the last 12 months?

8. Universal Consumer Certification, Recertification, and Household Worksheet Forms

195. In this section, the Commission seeks comment on adopting forms approved by the Office of Management and Budget (OMB) that all consumers, ETCs, or states, where applicable, must use in order to certify consumers' initial and ongoing eligibility for Lifeline benefits. The Commission believes that standardization of subscriber certification forms will save time by avoiding the need to analyze each form to make sure it contains all of the requirements of the federal rules, and allow for easier compliance checks. The Commission specifically seeks comment on whether the Commission should adopt standard forms for consumers' initial and annual certifications of consumer eligibility as well as the ''one-per-household worksheet'' for when multiple households reside at the same address and seek Lifeline benefits.

196. All ETCs must obtain a signed certification from the consumer that complies with § 54.410 of the Commission's rules. ETCs are required to annually recertify each subscriber's eligibility for Lifeline, and may recertify subscribers by requiring each subscriber to submit an annual re-certification form to the ETC. In instances where multiple households reside at the same address, the consumer must affirmatively certify through the ''one-per-household worksheet'' that other Lifeline recipients residing at that address are part of a separate household, *i.e.,* a separate economic unit that does not share income and expenses.

197. Currently, ETCs (or states, where applicable) may create and use their own forms, so long as their forms comply with the Commission's rules. The Commission has received anecdotal evidence expressing concerns that the forms for these purposes are inconsistent, deficient, or are difficult for consumers to understand. To increase compliance with the rules, facilitate administration of the program and to reduce burdens placed upon ETCs, the Commission proposes creating an official, standardized initial certification form, annual recertification form and ''one-per household'' worksheet. Standardized forms would allow ETCs, the states, and consumers to better interface with any national verifier or state or federal agency that assists with enrollment, as proposed elsewhere in this item. The Commission seeks comment on potential drawbacks to adopting a standardized form. In GAO's most recent report on Lifeline, it notes that many eligible consumers may struggle to complete an application due to lack of literacy or language skills. The Commission thus seeks comment on how to improve the language used on such forms so that consumers are better able to understand their and the ETC's obligations.

198. The URL,*www.usac.org/li/FCCForComment,* displays sample forms that USAC currently uses for recertification and provides to ETCs to use for the household worksheet. While we do not propose to adopt these specific forms, the Commission seeks comment on the sample forms displayed at the URL as a starting point. What are the shortcomings of these forms, if any? What other information should be included on these forms? Are there other mechanisms by which the Commission can increase consistency and uniformity in its certification and recertification practices?

9. Execution Date for Certification and Recertification

199. The Commission proposes to require Lifeline providers to record the subscriber execution date on certification and recertification forms. In the 2012 *Lifeline Reform Order,* the Commission required consumers to make a number of standardized certifications at the time of enrollment. Consumers are required to certify under penalty of perjury that they are eligible to receive Lifeline supported service and that they understand the Lifeline program rules before enrolling in the program. ETCs must also collect specific information about the certifying consumer on the certification form, such as the consumer's date of birth and the last four digits of the consumer's Social Security number or Tribal government identification card number. The 2012 *Lifeline Reform Order* did not, however, require ETCs to obtain from the consumer the date on which the certification form was executed (''execution date'') or to record such date. The lack of an execution date can create confusion regarding which rules should apply to a given subscriber's enrollment.

200. The Commission seeks comment on requiring Lifeline providers to record the subscriber execution date on certification and recertification forms. Mandating an execution date produces a number of benefits for ETCs and regulators. An execution date will ensure that USAC, the Commission, and independent auditors can, among other things, determine the relevant rules that apply to the enrollment or recertification of that subscriber. Obtaining the execution date will also allow USAC to recover funds for enrollment and recertification rule violations more accurately.

201. The Commission seeks additional comment on the manner in which the execution date should be collected and retained. For example, should the execution date appear in a particular designated area on the certification or recertification form? How would this requirement be implemented for subscribers that complete a certification or recertification form online or through other electronic means? How would this obligation interact with the E-Sign Act and any additional requirements the Commission proposes to implement for electronic signatures?

10. Officer Training Certification

202. In order to increase ETC accountability and compliance with the Lifeline rules, the Commission proposes to require an officer of an ETC to certify on each FCC Form 497 that all individuals taking part in that ETC's enrollment and recertification processes have received sufficient training on the Lifeline rules. In the 2012 *Lifeline Reform Order,* the Commission required all subscribers to show documentation of eligibility upon enrollment. The Commission also considered whether to require ETCs, rather than their agents or representatives, to review all documentation of eligibility, but the Commission declined to adopt such a rule at that time. The Commission reasoned that such a measure was unnecessary because ETCs remain

responsible for ensuring the agent's or independent contractor's compliance with the Lifeline rules.

203. Subsequent to the 2012 *Lifeline Reform Order,* there have been allegations of agents hired by ETCs abusing program rules by enrolling unqualified consumers in the Lifeline program. The Indiana Regulatory Commission expressed concern about the acts of agents in the field, and in July 2013, two ETCs fired 700 agents that enrolled consumers in the Lifeline program because the ETCs were uncertain if the agents were complying with the Lifeline rules. The Commission has also acted to increase oversight over the Lifeline enrollment process. The Enforcement Bureau released an enforcement advisory reminding ETCs that they are responsible for the actions of their agents and of ETCs' obligations to ensure compliance with the Lifeline rules. In addition, the Bureau codified the requirement that ETCs verify a Lifeline subscriber's eligibility for Lifeline service prior to activating such service.

204. Interested parties have suggested additional reforms to the Lifeline program intended to reduce agent abuses. In June 2013, the Lifeline Reform 2.0 Coalition filed a petition urging the Commission to establish a rule that requires all ETCs to have only their employees review and approve consumers' documentation of eligibility, rather than an agent or independent contractor, before the ETC activates Lifeline service or seeks reimbursement from the Fund. To minimize any improper financial incentives, the Lifeline Reform 2.0 Coalition argued that the Commission should implement a rule to no longer permit employees who are paid on a commission to review and approve applicants of the program. In responding to the June 2013 Lifeline Reform 2.0 Coalition petition, the Michigan Public Service Commission suggested that the Commission require ETCs to develop quality control procedures tailored to their particular business plan in lieu of having the Commission impose one specific set of procedures.

205. Consistent with the Michigan PSC's suggestion, the Commission now proposes to require an officer of an ETC to certify on each FCC Form 497 that all individuals taking part in that ETC's enrollment and recertification processes have received sufficient training on the Lifeline rules. Under this proposal, ETCs would be required to affirmatively certify on each FCC Form 497 that all individuals, both company employees and third-party agents (''covered individuals''), interfacing with consumers on behalf of the company have received sufficient training on the Lifeline program rules. The Commission seeks comment on how an ETC can show sufficiency of training. The Commission believes that this requirement will not only help to ensure that covered individuals are adequately trained but will also create an environment of compliance at all levels of the company, thereby reducing the risk of waste, fraud, and abuse. In addition, adequate training will have the additional benefit of reducing consumer confusion during the enrollment process. The Commission seeks comment on these views.

206. The Commission proposes to require that ETCs obtain a signature of all covered individuals certifying that the covered individual has completed such training. This would allow auditors, the FCC, and other interested government agencies to ensure that the ETC is acting in accordance with its Form 497 certification. The Commission seeks comment on alternative means to document the training of covered individuals. To ensure that covered individuals remain aware of the current rules, we propose that every covered individual must receive such training before taking part in the enrollment process on behalf of the company and again every twelve months thereafter in order to ensure that every person involved in enrolling and verifying consumers for Lifeline has been adequately educated about the program and its requirements. The Commission seeks additional comment and solicit ideas for any additional safeguards that may be necessary to ensure that agents or other employees enrolling subscribers do not have the opportunity or incentive to defraud the Fund.

207. As the Lifeline program enters its fourth decade, it must continue to evolve to ensure that it is serving its statutory mission. The proposals and questions included herein are intended to solicit the kind of record that will allow the Commission to ensure that it is meeting the requirements of section 254 while strengthening protections against waste, fraud, and abuse.

11. First-Year ETC Audits

208. To ensure the Lifeline audits are the best use of Commission resources, do not unduly burden Lifeline providers and accurately demonstrate a Lifeline provider has complied with Commission rules, the Commission proposes to revise the Commission's rule requiring all first-year Lifeline providers to undergo an audit within the first year of receiving Lifeline benefits.

209. The Commission has directed USAC to establish an audit program for all of the universal service programs, including Lifeline. As part of the audit program, in the *2012 Lifeline Reform Order,* the Commission required USAC to conduct audits of new Lifeline carriers within the first year of their participation in the program, after the carrier completes its first annual recertification of its subscriber base. The Commission specifically declined to adopt a minimum dollar threshold for those audits and instead directed USAC to conduct a more limited audit of smaller newly established ETCs.

210. Since the adoption of the 2012 *Lifeline Reform Order,* USAC has audited a number of first-year Lifeline providers. Many of those Lifeline providers are still ramping up operations within that first year and the number of subscribers they are serving results in a sample size too small to draw conclusions regarding compliance with Commission rules. For example, USAC has two Lifeline providers that it is preparing to audit—Glandorf Telephone Company and NEP Cellcorp, Inc.—that have only one or two subscribers as of March 2015. In addition, although USAC is conducting limited-scope ''desk audits'' of these Lifeline providers, these still impose costs on the Commission, USAC, and Lifeline providers that might not be warranted by the benefits of audits in particular circumstances. If the audits are made even more limited in scope, it would reduce the costs, but it would not further limit their utility.

211. Given the three years of experience auditing these carriers since the adoption of the 2012 *Lifeline Reform Order,* the Commission now believes that, in limited instances, it is not the best use of USF resources to audit every Lifeline provider within the first year of its operations. Instead, if the Lifeline providers have sufficiently limited operations, the Commission proposes to delay the audit until such time it is useful to audit the Lifeline provider. As such, the Commission seeks comment on its proposal to revise § 54.420(b) of the Commission's rules to allow the Office of Managing Director (OMD) to determine if a Lifeline provider should be audited within the first year of receiving Lifeline benefits in the state in which it was granted ETC status. The Commission believes this slight change to its audit requirement will allow for the best use of audit resources and protect against waste, fraud and abuse. The Commission seeks comment on this conclusion.

212. Instead of adopting a bright-line threshold to identify those audits of

first-year Lifeline providers that should be delayed, the Commission proposes to delegate authority to OMD, in its role of overseeing the USF audit programs, to work with USAC to identify those audits of first-year Lifeline providers that will not result in useful audits and permit those carriers to be audited after the one-year deadline, when the auditors can evaluate sufficient data to identify non-compliance and when it might be more cost-effective. The Commission seeks comment on this proposal. Are there particular metric(s), threshold(s), or criteria that the Commission should identify to provide more specific guidance to inform OMD's determination of when an audit is unlikely to be useful given the scope of the Lifeline provider's operations, perhaps based on considerations of the sort discussed below?

213. The Commission also seeks comment on whether, if an audit is delayed, it should establish a deadline by which the audit must be conducted, even if the Lifeline provider still has limited operations. The Commission notes that it can audit any beneficiary at any time. Is there some benefit to a Lifeline provider in knowing that it will definitely be audited within its first year? Alternatively, or in addition, are there procedures that OMD, Bureau, or USAC should follow beyond those typically used in the case of other audits under § 54.707 of the Commission's rules? For example, should a letter or other notification be sent to the Lifeline provider to set a period of time in advance of when the audit was scheduled to occur notifying the provider it will be delayed? After a delay, should USAC notify the Lifeline provider when it has been determined that an audit will be announced? If so, how far in advance? Should any such notification simply inform the Lifeline provider of the forthcoming audit pursuant to § 54.420(b) of the Commission's rules, or is there additional information that should be included?

214. Instead of setting a specific time frame by which an audit must be conducted after the current one-year deadline or delegating authority to OMD, to determine when an audit should be conducted, should the Commission instead adopt a minimum threshold under which audits should not be conducted because they are unlikely to be useful? If so, what metric(s) should be used to define the threshold(s)? Should it be measured in dollars or subscribers, some other metric(s), or some combination? Under such an approach, what metrics would best enable an evaluation of the usefulness of a § 54.420(b) of the Commission's rules audit, in terms of both substance (*i.e.,* the metric(s) bear a strong relationship to whether the audit is likely to be useful) and ease of administration (*e.g.,* the data needed to evaluate the metric are readily available and verifiable, and the metric(s) otherwise can be readily implemented in practice). What should the magnitude of any such threshold(s) be (whether dollars, subscribers, other metric(s), or some combination)? The Commission believes allowing OMD some discretion in determining which carriers should be exempt from the audit requirement will allow for situations in which an audit may be warranted for a first-year Lifeline provider with limited Lifeline operations. The Commission seeks comment on this conclusion.

215. Finally, the Commission seeks comment on whether there are variations or combinations of the forgoing options or other alternatives that the Commission should consider. Commenters advocating particular alternatives should explain how readily they can be used to identify whether an audit is likely to be useful and how readily administrable the alternatives would be.

III. Procedural Matters

F. Initial Regulatory Flexibility Analysis

216. As required by the Regulatory Flexibility Act of 1980, as amended, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) for the Second Further Notice of Proposed Rulemaking (FNPRM), of the possible significant economic impact on a substantial number of small entities by the policies and rules proposed in this Second FNPRM. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the Second FNPRM. The Commission will send a copy of the Second FNPRM, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.

217. The Commission is required by section 254 of the Communications Act of 1934, as amended, to promulgate rules to implement the universal service provisions of section 254. The Lifeline program was implemented in 1985 in the wake of the 1984 divestiture of AT&T. On May 8, 1997, the Commission adopted rules to reform its system of universal service support mechanisms so that universal service is preserved and advanced as markets move toward competition. The Lifeline program is administered by the Universal Service Administrative Company (USAC), the Administrator of the universal service support programs, under Commission direction, although many key attributes of the Lifeline program are currently implemented at the state level, including consumer eligibility, eligible telecommunication carrier (ETC) designations, outreach, and verification. Lifeline support is passed on to the subscriber by the ETC, which provides discounts to eligible households and receives reimbursement from the universal service fund (USF or Fund) for the provision of such discounts.

G. Initial Paperwork Reduction Act Analysis

218. The Second FNPRM seeks comment on a potential new or revised information collection requirement. If the Commission adopts any new or revised information collection requirement, the Commission will publish a separate notice in the **Federal Register** inviting the public to comment on the requirement, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3501–3520). In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might ''further reduce the information collection burden for small business concerns with fewer than 25 employees.''

H. Comment Filing Procedures

219. *Comments and Replies.* The Commission invites comment on the issues and questions set forth in the FNPRM and IRFA contained herein. Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415 and 1.419, interested parties may file comments on this Second FNPRM on or before 30 days after publication of this Second FNPRM in the **Federal Register** and may file reply comments on or before 60 days after publication of this Second FNPRM in the **Federal Register**. All filings related to this Second FNPRM shall refer to WC Docket Nos. 11–42, 09–197, and 10–90. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121 (1998).

- *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS: *http://fjallfoss.fcc.gov/ecfs2/.*
- *Paper Filers:* Parties who choose to file by paper must file an original and one copy of each filing.

• Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

• All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of *before* entering the building.

• Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

• U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington, DC 20554.

220. *People with Disabilities.* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (tty).

221. In addition, one copy of each paper filing must be sent to each of the following: (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street SW., Room CY–B402, Washington, DC 20554; Web site: *www.bcpiweb.com;* phone: (800) 378–3160; (2) Jonathan Lechter, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street SW., Room 5–B442, Washington, DC 20554; email: *Jonathan.Lechter@fcc.gov;* and (3) Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, 445 12th Street SW., Room 5–A452, Washington, DC 20554; email: *Charles.Tyler@fcc.gov.*

222. Filing and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street SW., Room CY–A257, Washington, DC 20554. Copies may also be purchased from the Commission's duplicating contractor, BCPI, 445 12th Street SW., Room CY–B402, Washington, DC 20554. Customers may contact BCPI through its Web site: *www.bcpi.com,* by email at *fcc@bcpiweb.com,* by telephone at (202) 488–5300 or (800) 378–3160 or by facsimile at (202) 488–5563.

223. Comments and reply comments must include a short and concise summary of the substantive arguments raised in the pleading. Comments and reply comments must also comply with section 1.49 and all other applicable sections of the Commission's rules. All interested parties must include the name of the filing party and the date of the filing on each page of their comments and reply comments. All parties are encouraged to utilize a table of contents, regardless of the length of their submission. The Commission also strongly encourages parties to track the organization set forth in the Second FNPRM in order to facilitate the Commission's internal review process.

224. For additional information on this proceeding, contact Jonathan Lechter at (202) 418–7387 in the Telecommunications Access Policy Division, Wireline Competition Bureau.

I. Need for, and Objectives of, the Proposed Rules

225. When the Commission overhauled the Lifeline program in its 2012 *Lifeline Reform Order,* it substantially strengthened protections against waste, fraud and abuse; improved program administration and accountability; improved enrollment and consumer disclosures; and took preliminary steps to modernize the Lifeline program for the 21st Century. While the Commission is pleased that the Commission's previous reforms have taken hold and sustained the integrity of the Fund, it realizes that the Commission's work is not complete. In light of the realities of the 21st Century communications marketplace, the Commission must overhaul the Lifeline program to ensure it complies with the statutory directive to provide consumers in all regions of the nation, including low-income consumers, with access to telecommunications and information services. At the same time, the Commission must ensure that adequate controls are in place as it implements any further changes to the Lifeline program to guard against waste, fraud and abuse.

226. In the Second FNPRM, the Commission therefore seeks comment on a package of potential reforms to modernize and restructure the Lifeline program. First, it proposes to establish minimum service levels for voice and broadband Lifeline service to ensure value for its USF dollars and more robust services for those low-income Americans who need them. Second, the Commission seeks to reset the Lifeline eligibility rules. Third, to encourage increased competition and innovation in the Lifeline market, the Commission seeks comment on ensuring the effectiveness of its administrative rules while also ensuring that they are not unnecessarily burdensome. Fourth, the Commission examines ways to enhance consumer protection. Finally, the Commission seeks comment on other ways to improve administration and ensure efficiency and accountability in the Lifeline program. The rules the Commission proposes in the Second FNPRM are directed at enabling the Commission to meet these goals and objectives for the Lifeline program.

J. Legal Basis

227. The legal basis for the Second FNPRM is contained in sections 1 through 4, 201–205, 254, 303(r), and 403 of the Communications Act of 1934, as amended by the Telecommunications Act of 1996, 47 U.S.C. 151 through 154, 201 through 205, 254, 303(r), and 403.

K. Description and Estimate of the Number of Small Entities To Which the Proposed Rules Will Apply

228. The RFA directs agencies to provide a description of and, where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted. The RFA generally defines the term ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction.'' In addition, the term ''small business'' has the same meaning as the term ''small business concern'' under the Small Business Act. A small business concern is one that: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA). Nationwide, there are a total of approximately 28.2 million small businesses, according to the SBA. A ''small organization'' is generally ''any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.''

229. Nationwide, as of 2007, there were approximately 1.6 million small organizations. The term ''small governmental jurisdiction'' is defined generally as ''governments of cities, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.'' Census Bureau data for 2007 indicate that there were 87,476 local governmental jurisdictions in the United States. We estimate that, of this total, 84,506 entities were ''small governmental jurisdictions.'' Thus, we estimate that most governmental jurisdictions are small.

1. Wireline Providers

230. *Incumbent Local Exchange Carriers (Incumbent LECs).* Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The appropriate size standard under SBA rules is for the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census Bureau data for 2007 show that there were 3,188 firms in this category that operated for the entire year. Of this total, 3,144 had employment of 999 or fewer and 44 firms had employment of 1,000 or more. According to Commission data, 1,307 carriers reported that they were incumbent local exchange service providers. Of these 1,307 carriers, an estimated 1,006 have 1,500 or fewer employees and 301 have more than 1,500 employees. Thus under this category and the associated small business size standard, the majority of these incumbent local exchange service providers can be considered small.

231. *Competitive Local Exchange Carriers (Competitive LECs), Competitive Access Providers (CAPs), Shared-Tenant Service Providers, and Other Local Service Providers.* Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate category for this service is the category Wired Telecommunications Carriers. Under the category of Wired Telecommunications Carriers, such a business is small if it has 1,500 or fewer employees. Census Bureau data for 2007 show that there were 3,188 firms in this category that operated for the entire year. Of this total, 3,144 had employment of 999 or fewer and 44 firms had 1,000 employees or more. Thus under this category and the associated small business size standard, the majority of these Competitive LECs, CAPs, Shared-Tenant Service Providers, and Other Local Service Providers can be considered small entities. According to Commission data, 1,442 carriers reported that they were engaged in the provision of either competitive local exchange services or competitive access provider services. Of these 1,442 carriers, an estimated 1,256 have 1,500 or fewer employees and 186 have more than 1,500 employees. In addition, 17 carriers have reported that they are Shared-Tenant Service Providers, and all 17 are estimated to have 1,500 or fewer employees. In addition, 72 carriers have reported that they are Other Local Service Providers, seventy of which have 1,500 or fewer employees and two have more than 1,500 employees. Consequently, the Commission estimates that most providers of competitive local exchange service, competitive access providers, Shared-Tenant Service Providers, and Other Local Service Providers are small entities that may be affected by rules adopted pursuant to the Notice.

232. *Interexchange Carriers.* Neither the Commission nor the SBA has developed a small business size standard specifically for providers of interexchange services. The appropriate category for Interexchange Carriers is the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census Bureau data for 2007, which now supersede data from the 2002 Census, show that there were 3,188 firms in this category that operated for the entire year. Of this total, 3,144 had employment of 999 or fewer, and 44 firms had had employment of 1,000 employees or more. Thus under this category and the associated small business size standard, the majority of these Interexchange carriers can be considered small entities. According to Commission data, 359 companies reported that their primary telecommunications service activity was the provision of interexchange services. Of these 359 companies, an estimated 317 have 1,500 or fewer employees and 42 have more than 1,500 employees. Consequently, the Commission estimates that the majority of interexchange service providers are small entities that may be affected by rules adopted pursuant to the Notice.

233. *Operator Service Providers (OSPs).* Neither the Commission nor the SBA has developed a small business size standard specifically for operator service providers. The appropriate category for Operator Service Providers is the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census Bureau data for 2007 show that there were 3,188 firms in this category that operated for the entire year. Of the total, 3,144 had employment of 999 or fewer, and 44 firms had had employment of 1,000 employees or more. Thus under this category and the associated small business size standard, the majority of these interexchange carriers can be considered small entities. According to Commission data, 33 carriers have reported that they are engaged in the provision of operator services. Of these, an estimated 31 have 1,500 or fewer employees and 2 have more than 1,500 employees. Consequently, the Commission estimates that the majority of OSPs are small entities that may be affected by the Commission's proposed action.

234. *Local Resellers.* The SBA has developed a small business size standard for the category of Telecommunications Resellers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census data for 2007 show that 1,523 firms provided resale services during that year. Of that number, 1,522 operated with fewer than 1000 employees and one operated with more than 1,000. Thus under this category and the associated small business size standard, the majority of these local resellers can be considered small entities. According to Commission data, 213 carriers have reported that they are engaged in the provision of local resale services. Of these, an estimated 211 have 1,500 or fewer employees and two have more than 1,500 employees. Consequently, the Commission estimates that the majority of local resellers are small entities that may be affected by rules adopted pursuant to the Notice.

235. *Toll Resellers.* The SBA has developed a small business size standard for the category of Telecommunications Resellers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census data for 2007 show that 1,523 firms provided resale services during that year. Of that number, 1,522 operated with fewer than 1000 employees and one operated with more than 1,000. Thus under this category and the associated small business size standard, the majority of these resellers can be considered small entities. According to Commission data, 881 carriers have reported that they are engaged in the provision of toll resale services. Of these, an estimated 857 have 1,500 or fewer employees and 24 have more than 1,500 employees. Consequently, the Commission estimates that the majority of toll resellers are small entities that may be affected by the Commission's action.

236. *Pre-paid Calling Card Providers.* Neither the Commission nor the SBA has developed a small business size standard specifically for pre-paid calling card providers. The appropriate size standard under SBA rules is for the category Telecommunications Resellers. Under that size standard, such a business is small if it has 1,500 or fewer employees. Census data for 2007 show

that 1,523 firms provided resale services during that year. Of that number, 1,522 operated with fewer than 1000 employees and one operated with more than 1,000. Thus under this category and the associated small business size standard, the majority of these pre-paid calling card providers can be considered small entities. According to Commission data, 193 carriers have reported that they are engaged in the provision of pre-paid calling cards. Of these, an estimated all 193 have 1,500 or fewer employees and none have more than 1,500 employees. Consequently, the Commission estimates that the majority of pre-paid calling card providers are small entities that may be affected by rules adopted pursuant to the Notice.

237. *800 and 800-Like Service Subscribers.* Neither the Commission nor the SBA has developed a small business size standard specifically for 800 and 800-like service (''toll free'') subscribers. The appropriate category for these services is the category Telecommunications Resellers. Under that category and corresponding size standard, such a business is small if it has 1,500 or fewer employees. Census data for 2007 show that 1,523 firms provided resale services during that year. Of that number, 1,522 operated with fewer than 1000 employees and one operated with more than 1,000. Thus under this category and the associated small business size standard, the majority of resellers in this classification can be considered small entities. To focus specifically on the number of subscribers than on those firms which make subscription service available, the most reliable source of information regarding the number of these service subscribers appears to be data the Commission collects on the 800, 888, 877, and 866 numbers in use. According to the Commission's data, as of September 2009, the number of 800 numbers assigned was 7,860,000; the number of 888 numbers assigned was 5,888,687; the number of 877 numbers assigned was 4,721,866; and the number of 866 numbers assigned was 7,867,736. The Commission does not have data specifying the number of these subscribers that are not independently owned and operated or have more than 1,500 employees, and thus are unable at this time to estimate with greater precision the number of toll free subscribers that would qualify as small businesses under the SBA size standard. Consequently, the Commission estimates that there are 7,860,000 or fewer small entity 800 subscribers; 5,888,687 or fewer small entity 888 subscribers; 4,721,866 or fewer small entity 877 subscribers; and 7,867,736 or fewer small entity 866 subscribers. We do not believe 800 and 800-Like Service Subscribers will be affected by the Commission's proposed rules, however we choose to include this category and seek comment on whether there will be an effect on small entities within this category.

2. Wireless Carriers and Service Providers

238. *Wireless Telecommunications Carriers (except Satellite).* This industry comprises establishments engaged in operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular phone services, paging services, wireless Internet access, and wireless video services. The appropriate size standard under SBA rules is for the category Wireless Telecommunications Carriers. The size standard for that category is that a business is small if it has 1,500 or fewer employees. For this category, census data for 2007 show that there were 11,163 establishments that operated for the entire year. Of this total, 10,791 establishments had employment of 999 or fewer employees and 372 had employment of 1000 employees or more. Thus under this category and the associated small business size standard, the Commission estimates that the majority of wireless telecommunications carriers (except satellite) are small entities that may be affected by the Commission's proposed action.

239. *Wireless Communications Services.* This service can be used for fixed, mobile, radiolocation, and digital audio broadcasting satellite uses. The Commission defined ''small business'' for the wireless communications services auction as an entity with average gross revenues of $40 million for each of the three preceding years, and a ''very small business'' as an entity with average gross revenues of $15 million for each of the three preceding years. The SBA has approved these definitions. The Commission auctioned geographic area licenses in the WCS service. In the auction, which commenced on April 15, 1997 and closed on April 25, 1997, seven bidders won 31 licenses that qualified as very small business entities, and one bidder won one license that qualified as a small business entity.

240. *Satellite Telecommunications Providers.* Two economic census categories address the satellite industry. The first category has a small business size standard of $32.5 million or less in average annual receipts, under SBA rules. The second has a size standard of $32.5 million or less in annual receipts.

241. The category of *Satellite Telecommunications* ''comprises establishments primarily engaged in providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications.'' Census Bureau data for 2007 show that 512 Satellite Telecommunications firms that operated for that entire year. Of this total, 464 firms had annual receipts of under $10 million, and 18 firms had receipts of $10 million to $24,999,999. Consequently, the Commission estimates that the majority of Satellite Telecommunications firms are small entities that might be affected by the Commission's action.

242. The second category, *i.e.* ''All Other Telecommunications'' comprises ''establishments primarily engaged in providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation. This industry also includes establishments primarily engaged in providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems. Establishments providing Internet services or voice over Internet protocol (VoIP) services via client-supplied telecommunications connections are also included in this industry.'' The SBA has developed a small business size standard for All Other Telecommunications, which consists of all such firms with gross annual receipts of $32.5 million or less. For this category, Census Bureau data for 2007 show that there were a total of 2,383 firms that operated for the entire year. Of this total, 2,347 firms had annual receipts of under $25 million and 12 firms had annual receipts of $25 million to $49,999,999. Consequently, the Commission estimates that the majority of All Other Telecommunications firms are small entities that might be affected by the Commission's action.

243. *Common Carrier Paging.* As noted, since 2007 the Census Bureau has placed paging providers within the broad economic census category of Wireless Telecommunications Carriers (except Satellite).

244. In addition, in the *Paging Second Report and Order,* the Commission

adopted a size standard for ''small businesses'' for purposes of determining their eligibility for special provisions such as bidding credits and installment payments. A small business is an entity that, together with its affiliates and controlling principals, has average gross revenues not exceeding $15 million for the preceding three years. The SBA has approved this definition. An initial auction of Metropolitan Economic Area (''MEA'') licenses was conducted in the year 2000. Of the 2,499 licenses auctioned, 985 were sold. Fifty-seven companies claiming small business status won 440 licenses. A subsequent auction of MEA and Economic Area (''EA'') licenses was held in the year 2001. Of the 15,514 licenses auctioned, 5,323 were sold. One hundred thirty-two companies claiming small business status purchased 3,724 licenses. A third auction, consisting of 8,874 licenses in each of 175 EAs and 1,328 licenses in all but three of the 51 MEAs, was held in 2003. Seventy-seven bidders claiming small or very small business status won 2,093 licenses.

245. Currently, there are approximately 74,000 Common Carrier Paging licenses. According to the most recent Trends in Telephone Service, 291 carriers reported that they were engaged in the provision of ''paging and messaging'' services. Of these, an estimated 289 have 1,500 or fewer employees and two have more than 1,500 employees. We estimate that the majority of common carrier paging providers would qualify as small entities under the SBA definition.

246. *Wireless Telephony.* Wireless telephony includes cellular, personal communications services, and specialized mobile radio telephony carriers. As noted, the SBA has developed a small business size standard for Wireless Telecommunications Carriers (except Satellite). Under the SBA small business size standard, a business is small if it has 1,500 or fewer employees. According to the 2010 Trends Report, 413 carriers reported that they were engaged in wireless telephony. Of these, an estimated 261 have 1,500 or fewer employees and 152 have more than 1,500 employees. We have estimated that 261 of these are small under the SBA small business size standard.

3. Internet Service Providers

247. The 2007 Economic Census places these firms, whose services might include voice over Internet protocol (VoIP), in either of two categories, depending on whether the service is provided over the provider's own telecommunications facilities (*e.g.,* cable and DSL ISPs), or over client-supplied telecommunications connections (*e.g.,* dial-up ISPs). The former are within the category of Wired Telecommunications Carriers, which has an SBA small business size standard of 1,500 or fewer employees. The latter are within the category of All Other Telecommunications, which has a size standard of annual receipts of $32.5 million or less.

L. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

248. In this Second FNPRM, we propose and seek public input on new and additional solutions for the Lifeline program, including reforms that would bring the program closer to its core purpose and promote the availability of modern services for low-income families. The rules we propose in this Second FNPRM are directed at enabling us to meet the Commission's goals and objectives for the Lifeline program. Specifically, the Commission seeks comment on a number of proposed changes that would increase the economic burdens on small entities. These proposed changes include:

249. *Eligibility documentation.* In the *2012 Lifeline Reform Order,* the Commission adopted measures to verify a low-income consumer's eligibility for Lifeline supported services and required Lifeline providers to confirm an applicant's eligibility prior to enrolling the applicant in the Lifeline Program. However, program eligibility documentation may not contain sufficient information to tie the documentation to the identity of the prospective subscriber and often does not include a photograph. In this Second FNPRM, the Commission seeks comment on requiring Lifeline providers to obtain additional information to verify that the eligibility documentation being presented by the consumer is valid and has not expired.

250. *Use of National Lifeline Accountability Database (NLAD) for reimbursement.* In this Second NPRM, the Commission seeks comment on whether the Commission should establish a national Lifeline eligibility verifier (national verifier) to make eligibility determinations and perform other functions related to the Lifeline program. As part of the proposed functions of the national verifier, the Commission seeks comment on using the national verifier to calculate ETCs' support.

251. *Reforms to Increase Efficient Administration of the Lifeline Program.* As part of this Second FNPRM, the Commission seeks comment on a number of reforms to increase the efficient administration if the program, including requiring an officer of an ETC to certify that individuals taking part in the ETC's enrollment and recertification processes have received training, and requiring Lifeline providers to record the subscriber execution date.

M. Steps Taken To Minimize the Significant Economic Impact on Small Entities, and Significant Alternatives Considered

252. The RFA requires an agency to describe any significant, specifically small business, alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): ''(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rule for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.''

253. As indicated above, in the Second FNPRM, while the Commission seeks comment on several proposed changes that would increase the economic burdens on small entities, it also proposes a number of changes that would lessen the economic impact on small entities. In those instances in which a proposed change would increase burdens on small entities, the Commission has determined that the benefits from such changes outweigh the increased burdens on small entities.

4. Proposed Changes That Lessen Economic Impact on Small Entities

254. *National Lifeline eligibility verifier.* The Commission's proposal to remove the responsibility of conducting the eligibility determination from the ETC and shift this responsibility to a trusted third-party lessens the recordkeeping and compliance burden on small entities by relieving them of the obligation to conduct eligibility determinations.

255. *Coordinated enrollment with other federal and state agencies.* The Commission's proposal to coordinate enrollment with other government benefit programs that qualify low-income consumers, thus allowing consumers to enroll themselves, lessens the recordkeeping and compliance burden on small entities by shifting this responsibility to the low-income consumer along with other government benefit programs.

256. *New FCC Forms.* The Commission's proposal to adopt standardized FCC Forms that all ETCs, where applicable, must use in order to certify a consumers' eligibility for Lifeline benefits will decrease burdens on small entities, increase compliance with the Commission's rules, and facilitate administration of the Lifeline program.

257. *Use of National Lifeline Accountability Database (NLAD) for reimbursement.* In the long-term, the Commission's proposal to transition to a process where the NLAD is used to calculate ETCs' support will ultimately reduce the burden on small entities, because they will no longer have to file the FCC Form 497 (Lifeline Worksheet).

258. *First-year ETC audits.* The Commission's proposal to revise its rules to allow the Office of Managing Director to determine if a Lifeline provider should be audited within the first year of receiving Lifeline benefits in the state in which it was granted ETC status, rather than requiring all first-year Lifeline providers to undergo an audit within the first year of receiving Lifeline benefits, will minimize the burden on a substantial number of small entities to respond to requests for information as part of an audit.

5. Proposed Changes That Increase Economic Impact on Small Entities

259. *Eligibility documentation.* The Commission's proposal to require ETCs to obtain additional information in certain instances to verify that the eligibility documentation being presented by the consumer is valid increases the recordkeeping burden on small entities. Such proposal, however, supports the Commission's objective to eliminate waste, fraud, and abuse in the Lifeline program.

260. *Use of National Lifeline Accountability Database (NLAD) for reimbursement.* The Commission's proposal to transition to a process where the NLAD is used to calculate ETCs' support may initially increase the burden upon small entities to change the way in which they calculate support payments. However, the Commission proposes a transition period to ensure that entities and USAC have time to put in place the necessary systems and processes.

261. *Compliance burdens.* Implementing any of the Commission's proposed rules (*e.g.,* requiring an officer of an ETC to certify that individuals taking part in the ETC's enrollment and recertification processes have received training, and requiring Lifeline providers to record the subscriber execution date) would impose some burden on small entities by requiring them to make such certifications and entries on FCC forms, and requiring them to become familiar with the new rules to comply with them. For many of proposed the rules, there is a minimal burden. Thus, these new requirements should not require small businesses to seek outside assistance to comply with the Commission's rule but rather are more routine in nature as part of normal business processes. The importance of bringing the Lifeline program closer to its core purpose and promoting the availability of modern services for low-income families, however, outweighs the minimal burden requiring small entities to comply with the new rules would impose.

N. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

262. None

O. Ex Parte Presentations

263. *Permit-But-Disclose.* The proceeding the Second FNPRM initiates shall be treated as a ''permit-but-disclose'' proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.,* .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

List of Subjects in 47 CFR Part 54

Communications common carriers, Reporting and recordkeeping requirements, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 54 as follows:

PART 54—UNIVERSAL SERVICE

■ 1. The authority citation for part 54 continues to read as follows:

Authority: 47 U.S.C. 151, 154(i), 155, 201, 205, 214, 219, 220, 254, 303(r), 403, and 1302 unless otherwise noted.

■ 2. Amend § 54.101 by revising paragraph (a) to read as follows:

§ 54.101 Supported services for rural, insular and high cost areas.

(a) *Services designated for support.* Voice Telephony services and broadband Internet access services shall be supported by federal universal service support mechanisms. Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

* * * * *

■ 3. Amend § 54.400 by adding and reserving paragraph (k); and adding paragraphs (l) and (m) to read as follows:

§ 54.400 Terms and definitions.

* * * * *

(l) *Broadband Internet access service.* Broadband Internet access service is defined as a mass-market retail service by wire or radio that provides the

capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service.

(m) *Supported services.* Voice Telephony services and broadband Internet access services are supported services for the Lifeline program.

■ 4. Amend § 54.401 by revising paragraphs (a)(2) and (b) to read as follows:

§ 54.401 Lifeline defined.

(a) * * *

(2) That provides qualifying low-income consumers with Voice Telephony service or broadband Internet access service as defined in § 54.400(l). Toll limitation service does not need to be offered for any Lifeline service that does not distinguish between toll and non-toll calls in the pricing of the service. If an eligible telecommunications carrier charges Lifeline subscribers a fee for toll calls that is in addition to the per month or per billing cycle price of the subscribers' Lifeline service, the carrier must offer toll limitation service at no charge to its subscribers as part of its Lifeline service offering.

(b) Eligible telecommunications carriers may allow qualifying low-income consumers to apply Lifeline discounts to any residential service plan that includes Voice Telephony service or broadband Internet access service, including bundled packages of both voice and broadband Internet access services; and plans that include optional calling features such as, but not limited to, caller identification, call waiting, voicemail, and three-way calling. Eligible telecommunications carriers may also permit qualifying low-income consumers to apply their Lifeline discount to family shared calling plans.

* * * * *

■ 5. Amend § 54.405 by revising paragraph (e)(1) and adding paragraph (e)(5) to read as follows:

§ 54.405 Carrier obligation to offer Lifeline.

* * * * *

(e) * * *

(1) *De-enrollment generally.* If an eligible telecommunications carrier has a reasonable basis to believe that a Lifeline subscriber no longer meets the criteria to be considered a qualifying low-income consumer under § 54.409, the carrier must notify the subscriber of impending termination of his or her Lifeline service. Notification of impending termination must be sent in writing separate from the subscriber's monthly bill, if one is provided, and must be written in clear, easily understood language. A carrier providing Lifeline service in a state that has dispute resolution procedures applicable to Lifeline termination, that requires, at a minimum, written notification of impending termination, must comply with the applicable state requirements. The carrier must allow a subscriber 30 days following the date of the impending termination letter required to demonstrate continued eligibility. A subscriber making such a demonstration must present proof of continued eligibility to the carrier consistent with applicable annual re-certification requirements, as described in § 54.410(f). An eligible telecommunications carrier must de-enroll any subscriber who fails to demonstrate continued eligibility within five business days after the expiration of the subscriber's time to respond. A carrier providing Lifeline service in a state that has dispute resolution procedures applicable to Lifeline termination must comply with the applicable state requirements.

* * * * *

(5) *De-enrollment requested by subscriber.* If an eligible telecommunications carrier receives a request from a subscriber to de-enroll, it must de-enroll the subscriber within two business days after the request.

■ 6. Amend § 54.407 by revising paragraph (a), by adding paragraph (c)(2)(v), and by revising paragraph (d) to read as follows:

§ 54.407 Reimbursement for offering Lifeline.

(a) Universal service support for providing Lifeline shall be provided directly to an eligible telecommunications carrier based on the number of actual qualifying low-income customers it serves directly as of the first day of the month in the NLAD.

* * * * *

(c) * * *

(2) * * *

(v) Sending a text message.

(d) In order to receive universal service support reimbursement, an officer of each eligible telecommunications carrier must certify, as part of each request for reimbursement, that:

(1) The ETC is in compliance with all of the rules in this subpart;

(2) The ETC has obtained valid certification and recertification forms to the extent required under this subpart for each of the subscribers for whom it is seeking reimbursement; and

(3) The ETC has provided sufficient training on all of the rules in this subpart to all individuals who interact with consumers during enrollment, recertification, or consumer information calls.

* * * * *

■ 7. Amend § 54.410 by revising paragraphs (d) introductory text, (d)(1) introductory text, (d)(2) introductory text, and by adding paragraph (d)(2)(ix) and by revising paragraphs (d)(3) introductory text, (f)(1), (f)(2)(iii), (f)(3)(iii), and by adding paragraph (h) to read as follows:

§ 54.410 Subscriber eligibility determination and certification.

* * * * *

(d) *FCC Form [XXX] Certification of Eligibility.* Eligible telecommunications carriers and state Lifeline administrators or other state agencies that are responsible for the initial determination of a subscriber's eligibility for Lifeline must use FCC Form [XXX] to enroll a qualifying low-income consumer into the Lifeline program.

(1) The FCC Form [XXX] shall provide the following information in clear, easily understood language:

* * * * *

(2) The FCC Form [XXX] shall require each prospective subscriber to provide the following information:

* * * * *

(ix) The date on which the certification form was executed.

(3) The FCC Form [XXX] shall require each prospective subscriber to initial his or her acknowledgement of each of the following certifications individually and under penalty of perjury:

* * * * *

(f) * * *

(1) All eligible telecommunications carriers must annually re-certify all subscribers using FCC Form [XXX], except for subscribers in states where a state Lifeline administrator or other state agency is responsible for re-certification of subscribers' Lifeline eligibility.

(2) * * *

(iii) Obtaining a signed certification from the subscriber on the FCC Form [XXX] that meets the certification requirements in paragraph (d) of this section.

(3) * * *

(iii) Obtaining a signed certification from the subscriber on the FCC Form [XXX] that meets the certification requirements in paragraph (d) of this section.

* * * * *

(h) *The FCC Form [XXX] One-Per-Household Worksheet.* The prospective subscriber will complete the FCC Form [XXX] One-Per-Household Worksheet

upon initial enrollment. At re-certification, if there are changes to the subscriber's household that would prevent the subscriber from accurately certifying to paragraph (d)(3)(vi) of this section (that is, that the subscriber's household will receive only one Lifeline service and to the best of his or her knowledge, the subscriber's household is not already receiving Lifeline service), then the subscriber must complete a One-Per-Household Worksheet.

■ 8. Amend § 54.420 by revising paragraph (b) to read as follows:

§ 54.420 Low income program audits.

* * * * *

(b) *Audit requirements for new eligible telecommunications carriers.* After a company is designated for the first time in any state or territory, the Administrator will audit that new eligible telecommunications carrier to assess its overall compliance with the rules in this subpart and the company's internal controls regarding these regulatory requirements. This audit should be conducted within the carrier's first twelve months of seeking federal low-income Universal Service Fund support, unless otherwise determined by the Office of Managing Director.

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