AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

# FEDERAL REGISTER

Vol. 79 Monday,
No. 46 March 10, 2014

Pages 13189–13496

OFFICE OF THE FEDERAL REGISTER

The **FEDERAL REGISTER** (ISSN 0097–6326) is published daily, Monday through Friday, except official holidays, by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, under the Federal Register Act (44 U.S.C. Ch. 15) and the regulations of the Administrative Committee of the Federal Register (1 CFR Ch. I). The Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 is the exclusive distributor of the official edition. Periodicals postage is paid at Washington, DC.

The **FEDERAL REGISTER** provides a uniform system for making available to the public regulations and legal notices issued by Federal agencies. These include Presidential proclamations and Executive Orders, Federal agency documents having general applicability and legal effect, documents required to be published by act of Congress, and other Federal agency documents of public interest.

Documents are on file for public inspection in the Office of the Federal Register the day before they are published, unless the issuing agency requests earlier filing. For a list of documents currently on file for public inspection, see *www.ofr.gov.*

**The seal of the National Archives and Records Administration authenticates the Federal Register** as the official serial publication established under the Federal Register Act. Under 44 U.S.C. 1507, the contents of the **Federal Register** shall be judicially noticed.

The **Federal Register** is published in paper and on 24x microfiche. It is also available online at no charge at *www.fdsys.gov*, a service of the U.S. Government Printing Office.

The online edition of the **Federal Register** is issued under the authority of the Administrative Committee of the Federal Register as the official legal equivalent of the paper and microfiche editions (44 U.S.C. 4101 and 1 CFR 5.10). It is updated by 6:00 a.m. each day the **Federal Register** is published and includes both text and graphics from Volume 59, 1 (January 2, 1994) forward. For more information, contact the GPO Customer Contact Center, U.S. Government Printing Office. Phone 202-512-1800 or 866-512-1800 (toll free). E-mail, *gpocusthelp.com.*

The annual subscription price for the **Federal Register** paper edition is $749 plus postage, or $808, plus postage, for a combined **Federal Register, Federal Register** Index and List of CFR Sections Affected (LSA) subscription; the microfiche edition of the **Federal Register** including the **Federal Register** Index and LSA is $165, plus postage. Six month subscriptions are available for one-half the annual rate. The prevailing postal rates will be applied to orders according to the delivery method requested. The price of a single copy of the daily **Federal Register,** including postage, is based on the number of pages: $11 for an issue containing less than 200 pages; $22 for an issue containing 200 to 400 pages; and $33 for an issue containing more than 400 pages. Single issues of the microfiche edition may be purchased for $3 per copy, including postage. Remit check or money order, made payable to the Superintendent of Documents, or charge to your GPO Deposit Account, VISA, MasterCard, American Express, or Discover. Mail to: U.S. Government Printing Office—New Orders, P.O. Box 979050, St. Louis, MO 63197-9000; or call toll free 1-866-512-1800, DC area 202-512-1800; or go to the U.S. Government Online Bookstore site, see *bookstore.gpo.gov.*

There are no restrictions on the republication of material appearing in the **Federal Register.**

**How To Cite This Publication:** Use the volume number and the page number. Example: 77 FR 12345.

**Postmaster:** Send address changes to the Superintendent of Documents, Federal Register, U.S. Government Printing Office, Washington, DC 20402, along with the entire mailing label from the last issue received.

## SUBSCRIPTIONS AND COPIES

| | |
|---|---|
| **PUBLIC** | |
| **Subscriptions:** | |
| Paper or fiche | **202–512–1800** |
| Assistance with public subscriptions | **202–512–1806** |
| **General online information** | **202–512–1530; 1–888–293–6498** |
| **Single copies/back copies:** | |
| Paper or fiche | **202–512–1800** |
| Assistance with public single copies | **1–866–512–1800 (Toll-Free)** |
| **FEDERAL AGENCIES** | |
| **Subscriptions:** | |
| Paper or fiche | **202–741–6005** |
| Assistance with Federal agency subscriptions | **202–741–6005** |

Printed on recycled paper.

# Contents

**Federal Register**

Vol. 79, No. 46

Monday, March 10, 2014

**Agricultural Marketing Service**
**NOTICES**
Meetings:
National Organic Standards Board, 13272

**Agriculture Department**
*See* Agricultural Marketing Service
*See* Commodity Credit Corporation
*See* Forest Service
*See* Rural Housing Service

**Centers for Disease Control and Prevention**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13304–13305

**Centers for Medicare & Medicaid Services**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13305–13307

**Civil Rights Commission**
**NOTICES**
Meetings:
Georgia Advisory Committee, 13273–13274

**Coast Guard**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13318–13322

**Commerce Department**
*See* Foreign-Trade Zones Board
*See* International Trade Administration
*See* National Oceanic and Atmospheric Administration
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13274

**Commodity Credit Corporation**
**RULES**
Security Requirements:
Farm Storage Facility Loan Program, 13189–13192

**Consumer Product Safety Commission**
**RULES**
Safety Standard for Carriages and Strollers, 13208–13216

**Corporation for National and Community Service**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13282–13283

**Defense Department**
**NOTICES**
Environmental Assessments; Availability, etc.:
Temporary Storage of Wheeled Tactical Vehicles; Defense Supply Center, Richmond, VA, 13283–13284
Meetings:
Defense Health Board; Cancellation, 13284
Independent Review Panel on Military Medical Construction Standards; Cancellation, 13284–13285
Privacy Act; Systems of Records, 13285

**Education Department**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Department of Education Grant Performance Report Form, 13286–13287
Qualitative Feedback on Agency Service Delivery, 13285–13286

**Employee Benefits Security Administration**
**NOTICES**
Meetings:
Advisory Council on Employee Welfare and Pension Benefit Plans, 13331

**Employment Standards Administration**
*See* Wage and Hour Division

**Energy Department**
*See* Federal Energy Regulatory Commission

**Environmental Protection Agency**
**RULES**
Air Quality State Implementation Plans; Approvals and Promulgations:
Colorado; Second Ten-Year PM10 Maintenance Plan for Pagosa Springs, 13256–13258
New Hampshire; Manchester and Nashua Carbon Monoxide Limited Maintenance Plans, 13254–13256
**PROPOSED RULES**
Air Quality State Implementation Plans; Approvals and Promulgations:
California; Ventura County Air Pollution Control District; Reasonably Available Control Technology for Ozone, 13266–13268
New Hampshire; Decommissioning of Stage II Vapor Recovery Systems, 13268–13271
Greenhouse Gas Reporting:
Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems, 13394–13460
**NOTICES**
Meetings:
Local Government Advisory Committee and Small Communities Advisory Subcommittee, 13299

**Equal Employment Opportunity Commission**
**NOTICES**
Meetings; Sunshine Act, 13299–13300

**Executive Office of the President**
*See* Presidential Documents
*See* Privacy and Civil Liberties Oversight Board

**Export-Import Bank**
**NOTICES**
Applications:
Final Commitment for Long-Term Loans or Financial Guarantees, 13300

### Federal Aviation Administration
**RULES**
Airworthiness Directives:
Agusta S.p.A. Helicopters, 13199–13201
Eurocopter Deutschland GmbH Helicopters, 13196–13199, 13201–13206
The Boeing Company Airplanes, 13206–13208
**PROPOSED RULES**
Amendment of Class E Airspace:
Akutan, AK, 13262–13263
**NOTICES**
Aeronautical Land-Use Assurance Waivers:
Lockhart Municipal Airport, Lockhart, TX, 13374
Requests to Release Airport Property:
Ocean County Airport, Toms River, NJ, 13374–13375
Waiver of Autonomous Reentry Restriction for a Reentry Vehicle, 13375–13377

### Federal Communications Commission
**NOTICES**
Meetings:
Federal Advisory Committee Act; Technological Advisory Council, 13300–13301

### Federal Energy Regulatory Commission
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13287–13288
Applications:
El Paso Natural Gas Company, LLC, 13289–13290
Vermont Gas Systems, Inc., 13288–13289
Combined Filings, 13290–13295
Environmental Impact Statements; Availability, etc.:
Transcontinental Gas Pipe Line Co., Rockaway Delivery Lateral Project and Northeast Connector Project, 13295–13296
Preliminary Permit Applications:
Mid-Atlantic Hydro, LLC, 13296
Requests under Blanket Authorization:
Equitrans, LP, 13297
Submittals Made During Adverse Weather-Related Government Closures, 13297
Technical Conferences:
Critical Infrastructure Protection Reliability Standards, Version 5, 13298–13299
Review of Cost Submittals by Other Federal Agencies for Administering Part I of the Federal Power Act, 13298
Revisions to Electric Quarterly Report Filing Process, 13297–13298

### Federal Motor Carrier Safety Administration
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Training Certification for Drivers of Longer Combination Vehicles, 13377–13378
Meetings:
Knowledge Testing of New Entrant Motor Carriers, Freight Forwarders and Brokers, 13378–13379

### Federal Reserve System
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13301–13303
Changes in Bank Control:
Acquisitions of Shares of a Bank or Bank Holding Company, 13303
Formations of, Acquisitions by, and Mergers of Bank Holding Companies, 13303
Proposals to Engage in or to Acquire Companies Engaged in Permissible Nonbanking Activities, 13303–13304

### Federal Transit Administration
**NOTICES**
Funding Availabilities:
Low or No Emission Vehicle Deployment Program, 13379–13380
Funding Availability:
Apportionments, Allocations, and Program Information, Fiscal Year 2014, 13462–13489
State Safety Oversight Formula Grant Program, 13380–13387

### Fiscal Service
**NOTICES**
Surety Companies Acceptable on Federal Bonds:
Bond Safeguard Insurance Co., Change in State of Incorporation; Correction, 13387

### Food and Drug Administration
**RULES**
Medical Devices:
General and Plastic Surgery Devices; Classification of the Absorbable Lung Biopsy Plug, 13218–13220
**PROPOSED RULES**
Food Additive Petitions; Animal Use:
Kemin Industries, Inc., 13263
**NOTICES**
Determinations that Products Were Not Withdrawn From Sale for Reasons of Safety or Effectiveness:
ZEFAZONE (Cefmetazole Sodium) Injection, Equivalent to 1 Gram Base/Vial and Equivalent to 2 Gram Base/Vial, etc., 13307–13308
New Drug Applications, Withdrawals of Approval:
Xanodyne Pharmaceuticals, Inc., et al.; Propoxyphene Products, 13308–13310
New Drug Applications: Withdrawal Proposals:
MK Laboratories, Inc., et al.; Propoxyphene Products, 13310–13311

### Foreign-Trade Zones Board
**NOTICES**
Authorization of Production Activities:
Noramco, Inc., Foreign-Trade Zone 99, Wilmington, DE, 13274

### Forest Service
**NOTICES**
Meetings:
Hiawatha East Resource Advisory Committee, 13272–13273

### Health and Human Services Department
*See* Centers for Disease Control and Prevention
*See* Centers for Medicare & Medicaid Services
*See* Food and Drug Administration
*See* Health Resources and Services Administration
*See* National Institutes of Health

### Health Resources and Services Administration
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13311–13313
Petitions:
National Vaccine Injury Compensation Program, 13313–13315

Request for Nominations:
Advisory Council on Blood Stem Cell Transplantation, 13315–13316
Council on Graduate Medical Education, 13315

**Homeland Security Department**
*See* Coast Guard
*See* U.S. Customs and Border Protection

**Housing and Urban Development Department**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Pre-Purchase Homeownership Counseling Demonstration and Impact Evaluation, 13326–13327
Funding Availability:
Comprehensive Housing Counseling Grant Program Fiscal Years 2014 and 2015, 13327–13328
Section 811 Project Rental Assistance Program Fiscal Year 2013, 13328

**Interior Department**
*See* Surface Mining Reclamation and Enforcement Office

**Internal Revenue Service**
**RULES**
Information Reporting by Applicable Large Employers:
Health Insurance Coverage Offered Under Employer-Sponsored Plans, 13231–13252
Information Reporting of Minimum Essential Coverage, 13220–13231
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13387–13391

**International Trade Administration**
**NOTICES**
Antidumping Duty Administrative Reviews; Results, Extensions, Amendments, etc.:
Certain Pasta from Turkey; New Shipper Review, 13275
Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea, 13275–13277
Antidumping Duty Orders; Results, Extensions, Amendments, etc.:
Freshwater Crawfish Tail Meat from the People's Republic of China, 13278–13279
Uncovered Innerspring Units from the People's Republic of China, South Africa, and Socialist Republic of Vietnam; Expedited Sunset Reviews, 13277–13278

**International Trade Commission**
**NOTICES**
Investigations; Determinations, Modifications, and Rulings, etc.:
Certain Audiovisual Components and Products Containing the Same, 13328–13329

**Judicial Conference of the United States**
**NOTICES**
Meetings:
Judicial Conference Committee, 13329–13330

**Justice Department**
*See* Justice Programs Office
*See* Prisons Bureau

**Justice Programs Office**
**NOTICES**
Selection and Application Guides:
Ballistic-Resistant Body Armor for Law Enforcement, Corrections and Public Safety, 13330

**Labor Department**
*See* Employee Benefits Security Administration
*See* Wage and Hour Division
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Transit Worker Protections under Federal Transit Act Section Urban Program, 13330–13331

**Mississippi River Commission**
**NOTICES**
Meetings; Sunshine Act, 13332–13333

**National Highway Traffic Safety Administration**
**RULES**
Early Warning Reporting, Foreign Defect Reporting, and Motor Vehicle and Equipment Recall, 13258–13259

**National Institutes of Health**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Rapid Throughput Standardized Evaluation of Transmissible Risk for Substance Use Disorder in Youth, 13317–13318

**National Oceanic and Atmospheric Administration**
**NOTICES**
Endangered and Threatened Species Permits:
Take of Anadromous Fish, 13279–13280
Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic:
Comprehensive Fishery Management Plan for the Exclusive Economic Zone of St. Croix, 13280–13282
Meetings:
New England Fishery Management Council, 13282

**Nuclear Regulatory Commission**
**RULES**
Approved Spent Fuel Storage Casks:
Transnuclear, Inc. Standardized NUHOMS Cask System, 13192–13196
**PROPOSED RULES**
Approved Spent Fuel Storage Casks:
Transnuclear, Inc. Standardized NUHOMS Cask System, 13260–13261
**NOTICES**
Draft Guidances::
Emergency Planning Exemption Requests for Decommissioning Nuclear Power Plants, 13333–13334
Meetings; Sunshine Act, 13334

**Presidential Documents**
**EXECUTIVE ORDERS**
Ukraine; Blocking Property of Certain Persons (EO 13660), 13491–13495

**Prisons Bureau**
**PROPOSED RULES**
Communication Management Units, 13263–13264

**Privacy and Civil Liberties Oversight Board**
**NOTICES**
Public Hearings, 13334

**Public Debt Bureau**
*See* Fiscal Service

**Rural Housing Service**
**NOTICES**
Meetings:
Multi-Family Housing Program 2014 Industry Forums, 13273

**Saint Lawrence Seaway Development Corporation**
**RULES**
Tariff of Tolls, 13252–13254

**Securities and Exchange Commission**
**RULES**
EDGAR Filer Manual Update, 13216–13218
**NOTICES**
Self-Regulatory Organizations; Proposed Rule Changes:
Chicago Board Options Exchange, Inc., 13359–13366
Financial Industry Regulatory Authority, Inc., 13364–13365
Miami International Securities Exchange, LLC, 13334–13349
National Stock Exchange, Inc., 13353–13359
NYSE Arca, Inc., 13349–13353
Options Clearing Corp., 13366–13368

**Social Security Administration**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals, 13368–13369

**State Department**
**NOTICES**
Culturally Significant Objects Imported for Exhibition:
Decay and Revolution, Art in Vienna, 1890–1910, 13369–13370
Meetings:
Advisory Committee on Private International Law; Online Dispute Resolution Study Group, 13370

**Surface Mining Reclamation and Enforcement Office**
**PROPOSED RULES**
Texas Regulatory Program, 13264–13265

**Transportation Department**
*See* Federal Aviation Administration
*See* Federal Motor Carrier Safety Administration
*See* Federal Transit Administration
*See* National Highway Traffic Safety Administration
*See* Saint Lawrence Seaway Development Corporation
**NOTICES**
Data Innovation Challenge Requirements, 13370–13373
Meetings:
National Freight Advisory Committee, 13373

**Treasury Department**
*See* Fiscal Service
*See* Internal Revenue Service

**U.S. Customs and Border Protection**
**NOTICES**
Centers of Excellence and Expertise Test; Modifications, 13322–13324
Commercial Gaugers and Laboratories; Accreditations and Approvals:
Inspectorate America Corp., 13324–13326
Commercial Gaugers and Laboratories; Approvals:
SEA, Ltd., 13326

**Veterans Affairs Department**
**NOTICES**
GI Bill Trademark Terms of Use, 13391–13392

**Wage and Hour Division**
**NOTICES**
Agency Information Collection Activities; Proposals, Submissions, and Approvals:
Housing Occupancy Certificates under the Migrant and Seasonal Agricultural Worker Protection Act, 13331–13332

---

**Separate Parts In This Issue**

**Part II**
Environmental Protection Agency, 13394–13460

**Part III**
Transportation Department, Federal Transit Administration, 13462–13489

**Part IV**
Presidential Documents, 13491–13495

---

**Reader Aids**
Consult the Reader Aids section at the end of this page for phone numbers, online resources, finding aids, reminders, and notice of recently enacted public laws.

To subscribe to the Federal Register Table of Contents LISTSERV electronic mailing list, go to http://listserv.access.gpo.gov and select Online mailing list archives, FEDREGTOC-L, Join or leave the list (or change settings); then follow the instructions.

## CFR PARTS AFFECTED IN THIS ISSUE

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

**3 CFR**
**Executive Orders:**
13660.....13493

**7 CFR**
1436.....13189

**10 CFR**
72.....13192
**Proposed Rules:**
72.....13260

**14 CFR**
39 (5 documents) .....13196, 13199, 13201, 13204, 13206
**Proposed Rules:**
71.....13262

**16 CFR**
1112.....13208
1227.....13208

**17 CFR**
232.....13216

**21 CFR**
878.....13218
**Proposed Rules:**
573.....13263

**26 CFR**
1.....13220
301 (2 documents) .....13220, 13231
602 (2 documents) .....13220, 13231

**28 CFR**
**Proposed Rules:**
540.....13263

**30 CFR**
**Proposed Rules:**
943.....13264

**33 CFR**
402.....13252

**40 CFR**
52 (2 documents) .....13254, 13256
**Proposed Rules:**
52 (2 documents) .....13266, 13268
98.....13394

**49 CFR**
573.....13258
577.....13258
579.....13258

# Rules and Regulations

Federal Register
Vol. 79, No. 46
Monday, March 10, 2014

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

**DEPARTMENT OF AGRICULTURE**

**Commodity Credit Corporation**

**7 CFR Part 1436**

**RIN 0560–AI19**

## Farm Storage Facility Loan Program, Security Requirements

**AGENCY:** Commodity Credit Corporation and Farm Service Agency, USDA.

**ACTION:** Final rule.

**SUMMARY:** The Commodity Credit Corporation (CCC) is amending the Farm Storage Facility Loan (FSFL) Program regulations to increase the loan amount, for which additional security or a severance agreement is required, from $50,000 to $100,000. We are making a related change for loans secured with collateral that does not have any resale value. The purpose of these amendments is to make the loan process easier for borrowers, especially producers who may not have additional security, but are unlikely to default on a relatively small loan. Raising the threshold for which additional security is required from $50,000 to $100,000 should help more small producers qualify for a loan between $50,000 and $100,000, and will likely reduce their cost to qualify for such a loan.

**DATES:** *Effective Date:* March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Toni Williams; phone (202) 720–2270. Persons with disabilities who require alternative means of communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720–2600 (voice and TDD).

**SUPPLEMENTARY INFORMATION:**

### Background

The FSFL Program provides low interest loans for producers to build or upgrade farm storage and handling facilities. FSFLs can be used for items such as drying and cooling equipment, safety equipment, and new concrete foundations, as well as for storage buildings and grain bins. The FSFL Program is a CCC program administered by the Farm Service Agency (FSA). As specified in the CCC Charter Act (15 U.S.C. 714b), the goal of the FSFL Program is to increase producer-owned storage capacity to alleviate national, regional, and local shortages in the storage of eligible commodities. Eligible commodities include grains, sugar, pulse crops, hay, honey, renewable biomass, fruits, nuts, and vegetables. Loans are available in amounts up to $500,000 for terms of 7, 10, or 12 years. Since 2000, more than 33,000 FSFLs have been disbursed totaling $1.8 billion. On average, about 2,100 new FSFLs are made each year, with about 16,000 loans currently outstanding. The default rate for the FSFL Program is extremely low, less than 0.1 percent.

Having on-farm storage helps producers to sell their crop at a time when the market is favorable for them, rather than being forced to sell immediately after harvest or pay for commercial storage. Producers can use on-farm storage to store livestock feed grown on-farm, rather than buying feed. On-farm storage allows producers to better serve their customers that buy commodities throughout the year, such as bioenergy facilities.

All FSFLs require security. The collateral securing an FSFL is typically the storage facility or equipment itself. The FSFL regulations in 7 CFR 1436.8, ''Security for Loan,'' currently require certain levels of security depending on if the loan amount is less than or equal to $50,000 or greater than $50,000. Loans greater than $50,000 or where the borrower has multiple outstanding FSFLs that total over $50,000 require additional security. The additional security can include an irrevocable letter of credit or a lien on real estate where the facility is located, as well as a severance agreement for any existing liens on the real estate parcel on which the storage facility is located. Livestock, machinery, vehicles, and other equipment cannot be used as security for FSFL. This rule raises the threshold, from $50,000 or less to $100,000 for which additional security is required, which should make the loan process easier and less expensive for borrowers of loans under $100,000. Loan applicants, not FSA, pay loan closing costs, so reducing the security requirements for certain loan amounts will eliminate the cost to applicants for obtaining letters of credit, severance agreements, appraisals, and similar documents. This will benefit producers who take out new FSFLs up to $100,000, including some producers who may not have real estate to offer as security.

### Security for Loan

This rule amends 7 CFR 1436.8, ''Security for Loan,'' in three ways. First, additional security will only be required for loans in excess of $100,000, when the total aggregate outstanding FSFLs by the borrower will exceed $100,000. The Deputy Administrator for Farm Programs or a State Committee may at any time lower the dollar threshold for which additional security is required for all FSFLs in the respective State, if such security is needed to properly secure such loans. The dollar threshold for which additional security is required cannot be less than $50,000, and the same threshold must apply to all FSFLs in a State. Currently, all loans in excess of $50,000 require additional security, specifically a lien on the real estate parcel on which the storage facility is located. The value of the real estate security for the loan must be at least equal to the loan amount. For some producers, this can be a barrier to qualifying for a loan greater than $50,000, because they do not own real estate of high enough value. Also, obtaining the lien can cost the producer about $1,000 in legal and appraisal fees. Raising the threshold for which additional security is required to $100,000 should help more small producers qualify for a loan between $50,000 and $100,000, and reduce their cost to qualify for such a loan.

Second, this rule specifies that a severance agreement from the holder of any prior lien on the real estate parcel on which the storage facility is located will not be required unless the loan is in excess of $100,000, or the total aggregate outstanding FSFLs balance will exceed $100,000. Currently, loans in excess of $50,000 require a severance agreement. For loans of $50,000 or less, in lieu of a severance agreement, the producer can provide security for the loan in other ways, specifically by

increasing the down payment from 15 percent to 20 percent or by providing another form of security, such as an irrevocable letter of credit. These security alternatives can be less time consuming and less costly for the producer to obtain than a severance agreement. Raising the threshold for which a severance agreement is required should reduce costs to allow producers to qualify for a loan between $50,000 and $100,000.

Third, this rule specifies that additional security will not be required for loans secured by collateral without any resale value unless the loan exceeds $100,000, or the total aggregate outstanding FSFLs balance will exceed $100,000. The current threshold is $50,000. Collateral without any resale value is collateral that has insufficient value and cannot easily be removed and sold, such as, but not limited to, permanent equipment upgrades, electrical wiring, or a new concrete foundation. Again, small producers who are otherwise creditworthy may not have the means to provide additional security, particularly since items commonly owned by producers that do have resale value, such as livestock and machinery, cannot be used as additional security for FSFL. Raising the threshold to $100,000 should help more small producers qualify for a loan between $50,000 and $100,000, and should reduce their cost to qualify for such a loan.

This rule also makes minor editorial changes to improve the clarity and consistency of the security requirements as specified in the regulations. For example, the language with respect to requirements for loans secured without collateral is clarified to state that only loans of $100,000 or more will require extra security. The previous language was ambiguous and implied that all loans secured without collateral would require additional security, which is not FSA policy and therefore required clarification. References to ''exceeding'' a certain amount, ''less than'' a certain amount, or an amount ''or less,'' were edited to ''equal to or less than'' or ''greater than'' to be consistent within 7 CFR part 1436. A reference to bonds was removed; bonds have not been used by producers as security in many years and cannot be accepted by FSA's current financial system.

**Intended Effect**

The intent of the amendments is to make the loan process for relatively small FSFLs simpler and less expensive for producers. This rule will benefit most producers who apply for a loan between $50,000 and $100,000, including those who do have additional security, because the changes in this rule will reduce the time and expense required to apply for a loan. Specifically, if no severance agreement, lien on real estate, appraisal, or letter of credit is required, borrowers may be able to reduce their closing costs for the loan by about $1,000 per loan, depending upon the facts of each situation. About a quarter of all FSFLs each year are for amounts between $50,000 and $100,000. The changes in this rule should help both borrowers who are building new on-farm storage and borrowers who are expanding their farm business with additional equipment or storage facilities.

The regulatory changes will allow the FSFL Program to continue to provide economic stability and reduce short-term income volatility for producers, by allowing the producer to finance on-farm storage, providing them more control over when to sell their crop. Because the FSFL Program default rate has been consistently low, and borrowers must pass a rigorous financial analysis to qualify for a loan, it is appropriate to reduce the security requirements for smaller loans. The additional security requirements will remain the same for loans above $100,000, which account for less than 20 percent of loans in the FSFL Program, and are unlikely to be loans made to small producers. Overall, the intent of this rule is to provide an increased opportunity for access to credit for small producers, without increasing the risk of loan defaults.

**Flexibility in Implementation**

This rule provides flexibility for CCC to require additional security for loan amounts less than $100,000 in the future, if needed to protect CCC's interests. As specified in this rule and in the current regulations, the approving State Committee, on a state-wide basis, may require security on smaller loans, if it is determined that security is needed to protect CCC's interests, but not on loans less than $50,000. Also, FSA's Deputy Administrator for Farm Programs or a State Committee, for all FSFLs in a State, may at any time, lower the dollar threshold for which additional security is required for all loans in a State, but not for loans less than $50,000. This means that, for example, if the default rate rises or if credit market conditions change, FSA would have the ability to lower the security threshold for loans at the State or the national level.

This rule does not require every State to use the new higher thresholds for security. We anticipate that some State committees will retain the more conservative threshold of $50,000, particularly for loans that are secured with collateral that has been determined to not have any resale value.

**Notice and Comment**

In general, the Administrative Procedure Act (5 U.S.C. 553) requires that a notice of proposed rulemaking be published in the **Federal Register** and interested persons be given an opportunity to participate in the rulemaking through submission of written data, views, or arguments with or without opportunity for oral presentation. Regulations for this program are exempt from the notice and comment requirements in 5 U.S.C. 553, as specified in section 1601(c) of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110–246, the 2008 Farm Bill), which allows that the regulations be promulgated and administered without regard to the notice and comment requirements in 5 U.S.C. 553.

**Effective Date**

The Administrative Procedure Act (5 U.S.C. 553) provides generally that before rules are issued by Government agencies, the rule must be published in the **Federal Register**, and the required publication of a substantive rule is to be not less than 30 days before its effective date. However, one of the exceptions is that section 553 does not apply to rulemaking that involves a matter relating to loans. Therefore, to provide greater access to capital for small farmers as soon as possible before the 2014 planting season, this final rule is effective when published in the **Federal Register**.

**Executive Order 12866 and 13563**

Executive Order 12866, ''Regulatory Planning and Review,'' and Executive Order 13563, ''Improving Regulation and Regulatory Review,'' direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility.

The Office of Management and Budget (OMB) designated this final rule as not significant under Executive Order 12866 and, therefore, OMB was not required to review this final rule.

**Regulatory Flexibility Act**

The Regulatory Flexibility Act (5 U.S.C. 601–612), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to the notice and comment rulemaking requirements under the Administrative Procedure Act (5 U.S.C. 553) or any other statute, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. This rule is not subject to the Regulatory Flexibility Act because CCC is not required by any law to publish a proposed rule for public comments on this rule.

**Environmental Review**

The environmental impacts of this rule have been considered in a manner consistent with the provisions of the National Environmental Policy Act (NEPA, 42 U.S.C. 4321–4347), the regulations of the Council on Environmental Quality (40 CFR parts 1500–1508), and the FSA regulations for compliance with NEPA (7 CFR 799 and 7 CFR part 1940, subpart G). The proposed changes to the FSFL program were analyzed and evaluated in a Programmatic Environmental Assessment and subsequent Finding of No Significant Impact (74 FR 71674) after the 2008 Farm Bill. The scope of that environmental review included provisions that have already been implemented as well as those provisions proposed in this rule. FSA has determined that these provisions will not have a significant impact on the quality of the human environment either individually or cumulatively. Therefore, no Environmental Assessment or Environmental Impact Statement will be prepared.

**Executive Order 12372**

Executive Order 12372, ''Intergovernmental Review of Federal Programs,'' requires consultation with State and local officials. The objectives of the Executive Order are to foster an intergovernmental partnership and a strengthened Federalism, by relying on State and local processes for State and local government coordination and review of proposed Federal Financial assistance and direct Federal development. For reasons specified in the Notice to 7 CFR part 3015, subpart V (48 FR 29115, June 24, 1983), the programs and activities within this rule are excluded from the scope of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

**Executive Order 12988**

This rule has been reviewed under Executive Order 12988, ''Civil Justice Reform.'' This rule will not preempt State or local laws, regulations, or policies unless they present an irreconcilable conflict with this rule. This rule will not have retroactive effect. Before any judicial action may be brought regarding the provisions of this rule, the administrative appeal provisions of 7 CFR parts 11 and 780 must be exhausted.

**Executive Order 13132**

This rule has been reviewed under Executive Order 13132, ''Federalism.'' The policies contained in this rule do not have any substantial direct effect on 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, except as required by law. Nor does this rule impose substantial direct compliance costs on State and local governments. Therefore, consultation with the States is not required.

**Executive Order 13175**

This rule has been reviewed for compliance with Executive Order 13175, ''Consultation and Coordination With Indian Tribal Governments.'' Executive Order 13175 imposes requirements on the development of regulatory policies that have Tribal implications or preempt Tribal laws. The policies contained in this rule do not, to our knowledge, impose substantial unreimbursed direct compliance costs on Indian Tribal governments, have Tribal implications, or preempt Tribal law. USDA continues to consult with Tribal officials to have a meaningful consultation and collaboration on the development and strengthening of USDA regulations. USDA will respond in a timely and meaningful manner to all Tribal government requests for consultation concerning this rule and will provide additional venues, such as Webinars and teleconferences, to periodically host collaborative conversations with Tribal leaders and their representatives concerning ways to improve this rule in Indian country.

**Unfunded Mandates**

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA, Pub. L. 104–4) requires Federal agencies to assess the effects of their regulatory actions on State, local, and 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 1 year for State, local, or Tribal governments, in the aggregate, or to the private sector. UMRA generally requires agencies to consider alternatives and adopt the more cost effective or least burdensome alternative that achieves the objectives of the rule. This rule contains no Federal mandates, as defined in Title II of UMRA, for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

**Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA)**

This rule is not a major rule under the Small Business Regulatory Enforcement Fairness Act of 1996, (Pub. L. 104–121, SBREFA). Therefore, CCC is not required to delay the effective date for 60 days from the date of publication to allow for Congressional review. Accordingly, this rule is effective on the date of publication in the **Federal Register**.

**Federal Assistance Programs**

The title and number of the Federal Domestic Assistance Program in the Catalog of Federal Domestic Assistance to which this rule applies is the Farm Storage Facility Loans—10.056.

**Paperwork Reduction Act**

The regulations in this rule are exempt from requirements of the Paperwork Reduction Act (44 U.S.C. Chapter 35), as specified in section 1601(c)(2) of the 2008 Farm Bill, which provides that the programs in Title I of the 2008 Farm Bill be administered without regard to the Paperwork Reduction Act.

**E-Government Act Compliance**

FSA and CCC are committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

**List of Subjects in 7 CFR Part 1436**

Administrative practice and procedure, Loan programs–agriculture, Penalties, Price support programs, Reporting and recordkeeping requirements.

For the reasons discussed above, CCC amends 7 CFR part 1436 as follows:

## PART 1436—FARM STORAGE FACILITY LOAN PROGRAM REGULATIONS

■ 1. The authority citation for part 1436 continues to read as follows:

**Authority:** 7 U.S.C. 7971 and 8789; and 15 U.S.C. 714–714p.

■ 2. Amend § 1436.8 as follows:

■ a. Revise paragraphs (b) introductory text, (c) introductory text, (c)(2), and (i),

■ b. In paragraph (b)(1), remove the word ''Agrees'' and add the word ''Agree'' in its place,

■ c. In paragraph (b)(2), remove the words ''credit, bond, or other form of security, as'' and add the words ''credit or other form of security'' in its place,

■ d. In paragraph (c)(1), at the end, remove the period and add the punctuation and word ''; and'' in its place.

The revisions read as follows:

**§ 1436.8 Security for loan.**

* * * * *

(b) For loan amounts equal to or less than $100,000, or when the aggregate outstanding FSFLs balance will be equal to or less than $100,000, CCC will not require a severance agreement from the holder of any prior lien on the real estate parcel on which the storage facility is located. However, the Deputy Administrator, Farm Programs, or a State Committee may, at their discretion, require a severance agreement for loan amounts greater than $50,000 or less than $100,000 for all FSFLs in the State, if deemed necessary to protect the interests of CCC. If no severance agreement is provided, then the borrower must:

* * * * *

(c) For loan amounts equal to or less than $100,000, or when the aggregate outstanding FSFLs balance will be equal to or less than $100,000, CCC will not require a lien on the real estate parcel on which the farm storage facility is located. However, the Deputy Administrator, Farm Programs or a State Committee may, at their discretion, require a lien in the form of a real estate mortgage, deed of trust, or other security instrument approved by USDA's Office of the General Counsel for loans greater than $50,000 or less than $100,000 for all FSFLs in the State, if deemed necessary to protect the interests of CCC. Liens are required for all loans greater than $100,000. All liens must meet the following conditions:

* * * * *

(2) The real estate security for the loan must be at least equal to the loan amount; and

* * * * *

(i) For loan amounts equal to or less than $100,000, or when the aggregate outstanding FSFLs balance will be equal to or less than $100,000, and secured by collateral without any resale value, as determined by CCC, additional security will not be required. However, the Deputy Administrator, Farm Programs or a State Committee may, at their discretion, for all FSFLs in the State, require additional security for loan amounts greater than $50,000 or less than $100,000 that are secured by collateral without any resale value if deemed necessary to protect the interests of the CCC.

* * * * *

Signed on March 4, 2014.

**Juan M. Garcia,**

*Administrator, Farm Service Agency, and Executive Vice President, Commodity Credit Corporation.*

[FR Doc. 2014–05101 Filed 3–7–14; 8:45 am]

**BILLING CODE 3410–05–P**

## NUCLEAR REGULATORY COMMISSION

### 10 CFR Part 72

**RIN 3150–AJ28**

**[NRC–2013–0236]**

## List of Approved Spent Fuel Storage Casks: Transnuclear, Inc. Standardized NUHOMS® Cask System

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Direct final rule.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is amending its spent fuel storage regulations by revising the Transnuclear, Inc. Standardized NUHOMS® Cask System listing within the ''List of Approved Spent Fuel Storage Casks'' to include Amendment No. 13 to Certificate of Compliance (CoC) No. 1004. Amendment No. 13 revises authorized contents to: add two new dry shielded canisters (DSCs), the -37PTH and the -69BTH; add new approved contents, including blended low enriched uranium (BLEU) fuel, and control components to already approved DSCs; and extend the use of the high-seismic horizontal storage module (HSM–HS) for storage of already approved DSCs. In addition, the amendment makes several other changes as described in Section III, ''Discussion of Changes'' in the **SUPPLEMENTARY INFORMATION** section of this document.

**DATES:** The final rule is effective May 24, 2014, unless significant adverse comments are received by April 9, 2014. If the rule is withdrawn as a result of such comments, timely notice of the withdrawal will be published in the **Federal Register.** Comments received after this date will be considered if it is practical to do so, but the NRC staff is able to ensure consideration only for comments received on or before this date.

**ADDRESSES:** Please refer to Docket ID NRC–2013–0236 when contacting the NRC about the availability of information for this final rule. You may access publicly available information related to this direct final rule by any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2013–0236. Address questions about NRC dockets to Carol Gallagher, telephone: 301–287–3422, 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 access publicly available documents online in the NRC Library 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 in this document (if that document is available in ADAMS) is provided the first time that a document is referenced. The proposed CoC and preliminary safety evaluation report (SER) are available in ADAMS under Package Accession No. ML13270A494. The ADAMS Accession No. for the Transnuclear, Inc. Standardized NUHOMS® Cask System Amendment No. 13 application dated February 9, 2011, is ML110460525.

- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O–1F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

**FOR FURTHER INFORMATION CONTACT:** Gregory R. Trussell, Office of Federal and State Materials and Environmental Management Programs, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone: 301–415–6445, email: *Gregory.Trussell@nrc.gov.*

**SUPPLEMENTARY INFORMATION:**

**Table of Contents**

I. Procedural Background
II. Background
III. Discussion of Changes
IV. Voluntary Consensus Standards
V. Agreement State Compatibility
VI. Plain Writing
VII. Finding of No Significant Environmental Impact: Availability
VIII. Paperwork Reduction Act Statement
IX. Regulatory Analysis
X. Regulatory Flexibility Certification
XI. Backfitting and Issue Finality
XII. Congressional Review Act

**I. Procedural Background**

This rule is limited to the changes contained in Amendment No. 13 to CoC No. 1004 and does not include other aspects of the Transnuclear, Inc. Standardized NUHOMS® Cask System design. The NRC is using the ''direct final rule procedure'' to issue this amendment because it represents a limited and routine change to an existing CoC that is expected to be noncontroversial. Adequate protection of public health and safety continues to be ensured. The amendment to the rule will become effective on May 24, 2014. However, if the NRC receives significant adverse comments on this direct final rule by April 9, 2014, then the NRC will publish a document that withdraws this action and will subsequently address the comments received in a final rule as a response to the companion proposed rule published in the Proposed Rule section of this issue of the **Federal Register**. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action.

A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. A comment is adverse and significant if:

(1) The comment opposes the rule and provides a reason sufficient to require a substantive response in a notice-and-comment process. For example, a substantive response is required when:

(a) The comment causes the NRC staff to reevaluate (or reconsider) its position or conduct additional analysis;

(b) The comment raises an issue serious enough to warrant a substantive response to clarify or complete the record; or

(c) The comment raises a relevant issue that was not previously addressed or considered by the NRC staff.

(2) The comment proposes a change or an addition to the rule, and it is apparent that the rule would be ineffective or unacceptable without incorporation of the change or addition.

(3) The comment causes the NRC staff to make a change (other than editorial) to the rule, CoC, or Technical Specifications (TSs).

For detailed instructions on submitting comments, please see the companion proposed rule published in the Proposed Rule section of this issue of the **Federal Register**.

**II. Background**

Section 218(a) of the Nuclear Waste Policy Act (NWPA) of 1982, as amended, requires that ''the Secretary [of the Department of Energy] shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the [Nuclear Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission.'' Section 133 of the NWPA states, in part, that ''[the Commission] shall, by rule, establish procedures for the licensing of any technology approved by the Commission under Section 219(a) [sic: 218(a)] for use at the site of any civilian nuclear power reactor.''

To implement this mandate, the Commission approved dry storage of spent nuclear fuel in NRC-approved casks under a general license by publishing a final rule in part 72 of Title 10 of the *Code of Federal Regulations* (10 CFR),''Licensing Requirements for the Independent Storage of Spent Nuclear Fuel, High-Level Radioactive Waste, and Reactor-Related Greater than Class C Waste,'' which added a new subpart K within 10 CFR part 72 entitled, ''General License for Storage of Spent Fuel at Power Reactor Sites'' (55 FR 29181; July 18, 1990). This rule also established a new subpart L within 10 CFR part 72 entitled, ''Approval of Spent Fuel Storage Casks,'' which contains procedures and criteria for obtaining NRC approval of spent fuel storage cask designs. The NRC subsequently issued a final rule on December 22, 1994 (59 FR 65898), that approved the Standardized NUHOMS® Cask System design and added it to the list of NRC-approved cask designs in 10 CFR 72.214 as CoC No. 1004.

**III. Discussion of Changes**

On February 9, 2011 (ADAMS Accession No. ML110460525), and as supplemented on July 22, 2011 (ADAMS Accession No. ML11217A043), March 19, 2012 (ADAMS Accession No. ML120960488), and September 24, 2012 (ADAMS Accession No. ML12270A084), Transnuclear, Inc., the holder of CoC No. 1004, submitted to the NRC a request to amend CoC No. 1004. Specifically, Transnuclear, Inc. requested changes to: (1) Add two new DSCs, the –37PTH and the –69BTH; (2) add new approved contents, including BLEU fuel, and control components to already approved DSCs; and (3) extend the use of the HSM–HS for storage of already approved DSCs. Specific changes to the TSs are:

- Add a new DSC, the –69BTH.
- Add a new DSC, the –37PTH.
- Add control components other than burnable poison rod assemblies and damaged fuel assemblies, and allow non-zircaloy cladding and guide tubes as approved contents to the –24PHB DSC.
- Add high burn-up fuel assemblies with and without control components as approved contents to the –32PT DSC.
- Add failed fuel as approved contents to the –61BTH and –24PTH DSCs.
- Extend the use of the HSM–HS for storage of the –61BT, –32PT, –24PTH, –61BTH, –69BTH, and –37PTH DSCs.
- Extend the use of metal matrix composites as a neutron absorber material in the –61BTH Type 1 and Type 2 DSCs for higher heat loads.
- Add BLEU fuel material as approved contents.
- Modify the inlet vent shielding designs to achieve dose reductions for the HSM–H and HSM–HS.
- Allow the transfer of –61BT, –32PT, –24PTH, and –61BTH DSCs in the OS200 Transfer Cask.
- Allow the use of Type III cement as an alternate equivalent to the Type II cement used in HSM construction.
- Change the TSs neutron absorber testing and acceptance requirements in order to remain consistent with similar requirements in other ongoing licensing actions, plus certain new changes in this area.
- Make additional changes for consistency within the TSs and the Updated Final Safety Analysis Report.

As documented in the SER (ADAMS Accession No. ML13273A327), the NRC staff performed a detailed safety evaluation of the proposed CoC amendment request. There are no significant changes to cask design requirements in the proposed CoC amendment. Considering the specific design requirements for each accident condition, the design of the cask would prevent loss of containment, shielding, and criticality control. If there is no loss of containment, shielding, or criticality

control, the environmental impacts would be insignificant. This amendment does not reflect a significant change in design or fabrication of the cask. In addition, any resulting occupational exposure or offsite dose rates from the implementation of Amendment No. 13 would remain well within the 10 CFR part 20 limits. Therefore, the proposed CoC changes will not result in any radiological or non-radiological environmental impacts that significantly differ from the environmental impacts evaluated in the environmental assessment supporting the July 18, 1990, final rule (55 FR 29181) that amended 10 CFR part 72 to provide for the storage of spent nuclear fuel under a general license in cask designs approved by the NRC. There will be no significant change in the types or significant revisions in the amounts of any effluent released, no significant increase in the individual or cumulative radiation exposure, and no significant increase in the potential for or consequences from radiological accidents from those analyzed in that environmental assessment.

On September 11, 2009, Transnuclear, Inc. submitted an application for Amendment No. 12 to CoC No. 1004. The application was in response to the Department of Energy's Transportation, Aging and Disposal Program. The NRC staff returned the application due to uncertainty of funding for the application review, and therefore, the rule currently does not contain an Amendment No. 12. This direct final rule revises the Standardized NUHOMS® Cask System listing in 10 CFR 72.214 by adding Amendment No. 13 to CoC No. 1004. The amendment consists of the changes previously described, as set forth in the revised CoC and TSs. The revised TSs are identified in the SER.

The amended Standardized NUHOMS® cask design, when used under the conditions specified in the CoC, the TSs, and the NRC's regulations, will meet the requirements of 10 CFR part 72; therefore, adequate protection of public health and safety will continue to be ensured. When this direct final rule becomes effective, persons who hold a general license under 10 CFR 72.210 may load spent nuclear fuel into Standardized NUHOMS® Cask Systems that meet the criteria of Amendment No. 13 to CoC No. 1004 under 10 CFR 72.212.

## IV. Voluntary Consensus Standards

The National Technology Transfer and Advancement Act of 1995 (Pub. L. 104–113) requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standards bodies unless the use of such a standard is inconsistent with applicable law or otherwise impractical. In this direct final rule, the NRC will revise the Standardized NUHOMS® Cask System design listed in 10 CFR 72.214, ''List of Approved Spent Fuel Storage Casks.'' This action does not constitute the establishment of a standard that contains generally applicable requirements.

## V. Agreement State Compatibility

Under the ''Policy Statement on Adequacy and Compatibility of Agreement State Programs'' approved by the Commission on June 30, 1997, and published in the **Federal Register** on September 3, 1997 (62 FR 46517), this rule is classified as Compatibility Category ''NRC.'' Compatibility is not required for Category ''NRC'' regulations. The NRC program elements in this category are those that relate directly to areas of regulation reserved to the NRC by the Atomic Energy Act of 1954, as amended, or the provisions of 10 CFR. Although an Agreement State may not adopt program elements reserved to the NRC, it may wish to inform its licensees of certain requirements via a mechanism that is consistent with the particular State's administrative procedure laws, but does not confer regulatory authority on the State.

## VI. Plain Writing

The Plain Writing Act of 2010 (Pub. L. 111–274) requires Federal agencies to write documents in a clear, concise, well-organized manner that also follows other best practices appropriate to the subject or field and the intended audience. The NRC has attempted to use plain language in promulgating this rule consistent with the Federal Plain Writing Act guidelines.

## VII. Finding of No Significant Environmental Impact: Availability

### *A. The Action*

The action is to amend 10 CFR 72.214 to revise the Transnuclear, Inc. Standardized NUHOMS® Cask System listing within the ''List of Approved Spent Fuel Storage Casks'' to include Amendment No. 13 to CoC No. 1004.

Under the National Environmental Policy Act of 1969, as amended, and the NRC regulations in subpart A of 10 CFR part 51, the NRC has determined that this rule, if adopted, would not be a major Federal action significantly affecting the quality of the human environment and, therefore, an environmental impact statement is not required. The NRC has made a finding of no significant impact on the basis of this environmental assessment.

### *B. The Need for the Action*

This rule amends the CoC for the Standardized NUHOMS® Cask System design within the list of approved spent fuel storage casks that power reactor licensees can use to store spent fuel at reactor sites under a general license. Specifically, Transnuclear, Inc. requested changes to revise authorized contents to: (1) Add two new DSCs, the –37PTH and the –69BTH; (2) add new approved contents, including BLEU fuel, and control components to already approved DSCs; and (3) extend the use of the HSM–HS for storage of already approved DSCs.

### *C. Environmental Impacts of the Action*

On July 18, 1990 (55 FR 29181), the NRC issued an amendment to 10 CFR part 72 to provide for the storage of spent nuclear fuel under a general license in cask designs approved by the NRC. The potential environmental impact of using NRC-approved storage casks was initially analyzed in the environmental assessment for the 1990 final rule. The environmental assessment for this Amendment No. 13 tiers off of the environmental assessment for the July 18, 1990, final rule. Tiering on past environmental assessments is a standard process under the National Environmental Policy Act.

Standardized NUHOMS® Cask Systems are designed to mitigate the effects of design basis accidents that could occur during storage. Design basis accidents account for human-induced events and the most severe natural phenomena reported for the site and surrounding area. Postulated accidents analyzed for an Independent Spent Fuel Storage Installation, the type of facility at which a holder of a power reactor operating license would store spent fuel in casks in accordance with 10 CFR part 72, include tornado winds and tornado-generated missiles, a design basis earthquake, a design basis flood, an accidental cask drop, lightning effects, fire, explosions, and other incidents.

Considering the specific design requirements for each accident condition, the design of the cask would prevent loss of containment, shielding, and criticality control. If there is no loss of containment, shielding, or criticality control, the environmental impacts would be insignificant. This amendment does not reflect a significant change in design or fabrication of the cask. There are no significant changes to cask design requirements in the proposed CoC amendment. In addition, any resulting

occupational exposure or offsite dose rates from the implementation of Amendment No. 13 would remain well within the 10 CFR part 20 limits. Therefore, the proposed CoC changes will not result in any radiological or non-radiological environmental impacts that significantly differ from the environmental impacts evaluated in the environmental assessment supporting the July 18, 1990, final rule. There will be no significant change in the types or significant revisions in the amounts of any effluent released, no significant increase in the individual or cumulative radiation exposure, and no significant increase in the potential for or consequences from radiological accidents.

The staff documented its findings in a safety evaluation report which is available in ADAMS under Accession No. ML13273A327.

*D. Alternative to the Action*

The alternative to this action is to deny approval of Amendment No. 13 and end the direct final rulemaking. Consequently, any 10 CFR part 72 general licensee that seeks to load spent nuclear fuel into the Standardized NUHOMS® Cask System in accordance with the changes described in proposed Amendment No. 13 would have to request an exemption from the requirements of 10 CFR 72.212 and 72.214. Under this alternative, interested licensees would have to prepare, and the NRC would have to review, a separate exemption request, thereby increasing the administrative burden upon the NRC and the costs to each licensee. Therefore, the environmental impacts would be the same or less than the action.

*E. Alternative Use of Resources*

Approval of Amendment No. 13 to CoC No. 1004 would result in no irreversible commitments of resources.

*F. Agencies and Persons Contacted*

No agencies or persons outside the NRC were contacted in connection with the preparation of this environmental assessment.

*G. Finding of No Significant Impact*

The environmental impacts of the action have been reviewed under the requirements in 10 CFR part 51.

Based on the foregoing environmental assessment, the NRC concludes that this rulemaking entitled, ''List of Approved Spent Fuel Storage Casks: Standardized NUHOMS® Cask System,'' will not have a significant effect on the human environment. Therefore, the NRC has determined that an environmental impact statement is not necessary for this rule.

Documents related to this rulemaking, including comments received by the NRC, may be examined at the NRC Public Document Room, Room O–1F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

**VIII. Paperwork Reduction Act Statement**

This rule does not contain any information collection requirements and, therefore, is not subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). Existing requirements were approved by the Office of Management and Budget (OMB), Approval Number 3150–0132.

*Public Protection Notification*

The NRC may not conduct or sponsor, and a person is not required to respond to a request for information or an information collection requirement unless the requesting document displays a currently valid OMB control number.

**IX. Regulatory Analysis**

On July 18, 1990 (55 FR 29181), the NRC issued an amendment to 10 CFR part 72 to provide for the storage of spent nuclear fuel under a general license in cask designs approved by the NRC. Any nuclear power reactor licensee can use NRC-approved cask designs to store spent nuclear fuel if it notifies the NRC in advance, the spent fuel is stored under the conditions specified in the cask's CoC, and the conditions of the general license are met. A list of NRC-approved cask designs is contained in 10 CFR 72.214. On December 22, 1994 (59 FR 65898), the NRC issued an amendment to 10 CFR part 72 that approved the Standardized NUHOMS® Cask System design by adding it to the list of NRC-approved cask designs in 10 CFR 72.214.

On February 9, 2011 (ADAMS Accession No. ML110460525), and as supplemented on July 22, 2011 (ADAMS Accession No. ML11217A043), March 19, 2012 (ADAMS Accession No. ML120960488), and September 24, 2012 (ADAMS Accession No. ML12270A084), Transnuclear, Inc., submitted an application to amend the Standardized NUHOMS® Cask System as described in Section III.

The alternative to this action is to withhold approval of Amendment No. 13 and to require any 10 CFR part 72 general licensee seeking to load spent nuclear fuel into Standardized NUHOMS® Cask Systems under the changes described in Amendment No. 13 to request an exemption from the requirements of 10 CFR 72.212 and 72.214. Under this alternative, each interested 10 CFR part 72 licensee would have to prepare, and the NRC would have to review, a separate exemption request, thereby increasing the administrative burden upon the NRC and the costs to each licensee.

Approval of the direct final rule is consistent with previous NRC actions. Further, as documented in the SER and the environmental assessment, the direct final rule will have no adverse effect on public health and safety or the environment. This direct final rule has no significant identifiable impact or benefit on other Government agencies. Based on this regulatory analysis, the NRC concludes that the requirements of the direct final rule are commensurate with the NRC's responsibilities for public health and safety and the common defense and security. No other available alternative is believed to be as satisfactory, and therefore, this action is recommended.

**X. Regulatory Flexibility Certification**

Under the Regulatory Flexibility Act of 1980 (5 U.S.C. 605(b)), the NRC certifies that this rule will not, if issued, have a significant economic impact on a substantial number of small entities. This direct final rule affects only nuclear power plant licensees and Transnuclear, Inc. These entities do not fall within the scope of the definition of small entities set forth in the Regulatory Flexibility Act or the size standards established by the NRC (10 CFR 2.810).

**XI. Backfitting and Issue Finality**

The NRC has determined that the backfit rule (10 CFR 72.62) does not apply to this direct final rule. Therefore, a backfit analysis is not required. This direct final rule revises CoC No. 1004 for the Transnuclear, Inc. Standardized NUHOMS® Cask System, as currently listed in 10 CFR 72.214, ''List of Approved Spent Fuel Storage Casks.'' The revision consists of Amendment No. 13, which: (1) Adds two new DSCs, the –37PTH and the –69BTH; (2) adds new approved contents, including BLEU fuel, and control components to already approved DSCs; and (3) extends the use of the HSM–HS for storage of already approved DSCs. Amendment No. 13 to CoC No. 1004 for the Standardized NUHOMS® Cask System was initiated by Transnuclear, Inc. and was not submitted in response to new NRC requirements, or an NRC request for amendment. Amendment No. 13 applies only to new casks fabricated and used under Amendment No. 13. These changes do not affect existing users of

the Standardized NUHOMS® Cask System, and the current Amendment No. 11 continues to be effective for existing users. While current CoC users may comply with the new requirements in Amendment No. 13, this would be a voluntary decision on the part of current users. For these reasons, Amendment No. 13 to CoC No. 1004 does not constitute backfitting under 10 CFR 72.62, 10 CFR 50.109(a)(1), or otherwise represent an inconsistency with the issue finality provisions applicable to combined licenses in 10 CFR part 52. Accordingly, no backfit analysis or additional documentation addressing the issue finality criteria in 10 CFR part 52 has been prepared by the staff.

**XII. Congressional Review Act**

The Office of Management and Budget has not found this to be a major rule as defined in the Congressional Review Act.

**List of Subjects in 10 CFR Part 72**

Administrative practice and procedure, Criminal penalties, Manpower training programs, Nuclear materials, Occupational safety and health, Penalties, Radiation protection, Reporting and recordkeeping requirements, Security measures, Spent fuel, Whistleblowing.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; the Nuclear Waste Policy Act of 1982, as amended; and 5 U.S.C. 552 and 553; the NRC is adopting the following amendments to 10 CFR part 72.

## PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL, HIGH-LEVEL RADIOACTIVE WASTE, AND REACTOR-RELATED GREATER THAN CLASS C WASTE

■ 1. The authority citation for part 72 continues to read as follows:

**Authority:** Atomic Energy Act secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 223, 234, 274 (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2232, 2233, 2234, 2236, 2237, 2238, 2273, 2282, 2021); Energy Reorganization Act secs. 201, 202, 206, 211 (42 U.S.C. 5841, 5842, 5846, 5851); National Environmental Policy Act sec. 102 (42 U.S.C. 4332); Nuclear Waste Policy Act secs. 131, 132, 133, 135, 137, 141, 148 (42 U.S.C. 10151, 10152, 10153, 10155, 10157, 10161, 10168); sec. 1704, 112 Stat. 2750 (44 U.S.C. 3504 note); Energy Policy Act of 2005, Pub. L. No. 109–58, 119 Stat. 549 (2005).

Section 72.44(g) also issued under secs. Nuclear Waste Policy Act 142(b) and 148(c), (d) (42 U.S.C. 10162(b), 10168(c), (d)). Section 72.46 also issued under Atomic Energy Act sec. 189 (42 U.S.C. 2239); Nuclear Waste Policy Act sec. 134 (42 U.S.C. 10154). Section 72.96(d) also issued under Nuclear Waste Policy Act sec. 145(g) (42 U.S.C. 10165(g)). Subpart J also issued under Nuclear Waste Policy Act secs. 117(a), 141(h) (42 U.S.C. 10137(a), 10161(h)). Subpart K is also issued under sec. 218(a) (42 U.S.C. 10198).

■ 2. In § 72.214, Certificate of Compliance 1004 is revised to read as follows:

**§ 72.214 List of approved spent fuel storage casks.**

* * * * *

Certificate Number: 1004.
Initial Certificate Effective Date: January 23, 1995.
Amendment Number 1 Effective Date: April 27, 2000.
Amendment Number 2 Effective Date: September 5, 2000.
Amendment Number 3 Effective Date: September 12, 2001.
Amendment Number 4 Effective Date: February 12, 2002.
Amendment Number 5 Effective Date: January 7, 2004.
Amendment Number 6 Effective Date: December 22, 2003.
Amendment Number 7 Effective Date: March 2, 2004.
Amendment Number 8 Effective Date: December 5, 2005.
Amendment Number 9 Effective Date: April 17, 2007.
Amendment Number 10 Effective Date: August 24, 2009.
Amendment Number 11 Effective Date: January 7, 2014.
Amendment Number 12 Effective Date: Amendment not issued by the NRC.
Amendment Number 13 Effective Date: May 24, 2014.
SAR Submitted by: Transnuclear, Inc.
SAR Title: Final Safety Analysis Report for the Standardized NUHOMS® Horizontal Modular Storage System for Irradiated Nuclear Fuel.
Docket Number: 72–1004.
Certificate Expiration Date: January 23, 2015.
Model Number: NUHOMS® –24P, –24PHB, –24PTH, –32PT, –32PTH1, –37PTH, –52B, –61BT, –61BTH, and –69BTH.

* * * * *

Dated at Rockville, Maryland, this 30th day of December 2013.

For the Nuclear Regulatory Commission.

**Michael F. Weber,**

*Acting Executive Director for Operations.*

[FR Doc. 2014–05108 Filed 3–7–14; 8:45 am]

**BILLING CODE 7590–01–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2013–0555; Directorate Identifier 2010–SW–047–AD; Amendment 39–17779; AD 2014–05–06]**

**RIN 2120–AA64**

## Airworthiness Directives; Eurocopter Deutschland GmbH Helicopters

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for Eurocopter Deutschland GmbH (ECD) Model EC135 and MBB–BK 117 C–2 helicopters. This AD requires inspecting the flight-control bearings repetitively, replacing any loose bearing with an airworthy flight-control bearing, and installing bushings and washers. This AD was prompted by the discovery during a routine inspection of loose flight control bearings because of incorrect installation. The actions of this AD are intended to prevent the affected control lever from shifting, contacting the helicopter structure, and reducing control of the helicopter.

**DATES:** This AD is effective April 14, 2014.

The Director of the Federal Register approved the incorporation by reference of certain documents listed in this AD as of April 14, 2014.

**ADDRESSES:** For service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

**Examining the AD Docket**

You may examine the AD docket on the Internet at *http://www.regulations.gov* or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for the Docket Operations Office (phone: 800–647–5527) is U.S. Department of

Transportation, Docket Operations Office, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

**FOR FURTHER INFORMATION CONTACT:** Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, TX 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

**Discussion**

On July 3, 2013, at 78 FR 40047, the **Federal Register** published our notice of proposed rulemaking (NPRM), which proposed to amend 14 CFR part 39 to add an AD that would apply to ECD Model EC135 P1, P2, P2+, T1, T2, and T2+ helicopters, serial number (S/N) 0005 through 00829, with a tail rotor control lever, part number (P/N) L672M2802205 or L672M1012212; cyclic control lever, P/N L671M1005250; collective control lever assembly, P/N L671M2020108; or collective control plate, P/N L671M5040207; installed. The NRPM proposed that the AD also would apply to Model MBB–BK 117 C–2 helicopters, S/N 9004 through 9310, with a tail rotor control lever assembly, P/N B672M1007101 or B672M1807101; tail rotor control lever, P/N B672M1002202 or L672M2802205; or lateral control lever assembly, P/N B670M1008101, installed.

The NPRM proposed to require inspecting the flight-control bearings repetitively, replacing any loose bearing with an airworthy flight-control bearing, and installing bushings and washers. The proposed requirements were intended to prevent the affected control lever from shifting, contacting the helicopter structure, and reducing control of the helicopter.

The NPRM was prompted by AD No. 2010–0058, dated March 30, 2010, issued by EASA, which is the Technical Agent for the Member States of the European Union. EASA issued the AD to correct an unsafe condition for the ECD Model MBB–BK 117 C–2, EC 135 and EC 635 helicopters. EASA advises that during an inspection of an MBB–BK 117 C–2, ''bearings were detected which had not been correctly fixed.'' As some bearings on the EC 135 and MBB–BK 117 C–2 type designs are installed with the same procedure, they are equally affected by the possibility of the unsafe condition. EASA states that this condition, if not corrected, could result in the affected control lever shifting in the axial direction, contacting the helicopter structure, and subsequently reducing control of the helicopter.

**Comments**

We gave the public the opportunity to participate in developing this AD, but we received no comments on the NPRM (78 FR 40047, July 3, 2013).

**FAA's Determination**

These helicopters have been approved by the aviation authority of the Federal Republic of Germany and are approved for operation in the United States. Pursuant to our bilateral agreement with Germany, EASA, its technical representative, has notified us of the unsafe condition described in its AD. We are issuing this AD because we evaluated all information provided by EASA and determined the unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs and that air safety and the public interest require adopting the AD requirements as proposed.

**Differences Between This AD and the EASA AD**

Differences between this AD and the EASA AD are:

- The EASA AD is applicable to the EC 635 helicopter, whereas this AD is not because the EC 635 helicopter is not type certificated in the U.S.
- The EASA AD requires an initial inspection within 50 flight hours or one month, whichever occurs first after May 31, 2008, and a modification within the next 12 months. This AD requires the modification within 100 hours TIS or at the next annual inspection, whichever occurs first, and no inspection until after the modification has been accomplished.

**Related Service Information**

Eurocopter has issued Alert Service Bulletin (ASB) MBB BK117 C–2–67A–010, Revision 3, dated February 8, 2010, and ASB EC135–67A–019, Revision 3, dated December 16, 2009. These ASBs specify:

- Within the next 50 flight hours (FHs), inspecting the affected bearings and, if necessary, rebonding any affected bearings or replacing the lever assembly.
- Within 12 months, retrofitting bushings on the levers to prevent movement of the bearings.
- After the retrofit, repeating the inspection every 800 FHs or 36 months for the Model EC 135 helicopters, whichever comes first, and 600 FHs or 24 months, whichever comes first, for the Model MBB–BK 117 C–2 helicopters.

EASA classified these ASBs as mandatory and issued AD 2010–0058 to ensure the continued airworthiness of these helicopters.

**Costs of Compliance**

We estimate that this AD affects 175 Model EC135 and 112 Model MBB–BK 117 C–2 helicopters of U.S. Registry and that labor costs average $85 per work-hour. Based on these estimates, we expect the following costs:

- For EC135 helicopters, it takes about 32 work-hours to perform the modification. Parts cost about $312. The total cost for the modification is about $3,032 per helicopter and $530,600 for the U.S. operator fleet. The repetitive inspections require 6.5 work-hours for a cost of about $553 per helicopter and about $96,775 for the fleet per inspection cycle.
- For MBB–BK 117 C–2 helicopters, it takes about 32 work-hours to perform the modification. Parts cost about $396. The total cost for the modification is $3,116 per helicopter and $348,992 for the U.S. operator fleet. The cost for the repetitive inspections thereafter is about $85 per helicopter and $9,520 for the fleet per inspection cycle.

**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 helicopters identified in this rulemaking action.

**Regulatory Findings**

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 DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);

(3) Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; 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.

We prepared an economic evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

### 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):

**2014–05–06 Eurocopter Deutschland GmbH:** Amendment 39–17779; Docket No. FAA–2013–0555; Directorate Identifier 2010–SW–047–AD.

**(a) Applicability**

This AD applies to the following helicopters, certificated in any category:

(1) Eurocopter Deutschland GmbH (ECD) Model EC135 P1, P2, P2+, T1, T2, and T2+ helicopters, serial number (S/N) 0005 through 00829, with a tail rotor control lever, part number (P/N) L672M2802205 or L672M1012212; cyclic control lever, P/N L671M1005250; collective control lever assembly, P/N L671M2020108; or collective control plate, P/N L671M5040207; installed; and

(2) Model MBB–BK 117 C–2 helicopters, S/N 9004 through 9310, with a tail rotor control lever assembly, P/N B672M1007101 or B672M1807101; tail rotor control lever, P/N B672M1002202 or L672M2802205; or lateral control lever assembly, P/N B670M1008101, installed.

**(b) Unsafe Condition**

This AD defines the unsafe condition as incorrectly installed flight control bearings. This condition could cause the affected control lever to shift and contact the helicopter structure, resulting in reduced control of the helicopter.

**(c) Effective Date**

This AD becomes effective April 14, 2014.

**(d) Compliance**

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

**(e) Required Actions**

(1) For Model EC135 P1, P2, P2+, T1, T2, and T2+ helicopters:

(i) Within the next 100 hours time-in-service (TIS) or at the next annual inspection, whichever occurs, modify the left-hand (LH) and right-hand (RH) guidance units and the cyclic shaft by installing bushings and washers to prevent shifting of the bearings in the axial direction as follows:

(A) Remove and disassemble the LH guidance unit and install a bushing, P/N L672M1012260, between the bearing block and the lever of the LH guidance unit as depicted in Detail A of Figure 5 of Eurocopter Alert Service Bulletin EC135–67A–019, Revision 3, dated December 16, 2009 (EC135 ASB).

(B) For helicopters without a yaw brake, remove and disassemble the RH guidance unit and install a bushing, P/N L672M1012260, between the bearing block and the lever as depicted in Detail B of Figure 5 of EC135 ASB.

(C) Remove and disassemble the cyclic shaft and install a washer, P/N L671M1005260, between the bearing block and the lever as depicted in Detail C of Figure 6 of EC135 ASB.

(D) Remove the collective control rod from the bellcrank and install a washer, P/N L221M1042208, on each side of the collective control rod and bellcrank as depicted in Detail D of Figure 6 of EC135 ASB.

(E) At intervals not to exceed 800 hours TIS or 36 months, whichever occurs first, inspect the bearings in the LH guidance unit, RH guidance unit, cyclic control, upper guidance unit, and linear voltage differential transducer plate for play. If any bearing is loose, replace the affected bearing with an airworthy bearing.

(2) For Model MBB–BK 117 C–2 helicopters:

(i) Within the next 100 hours TIS or at the next annual inspection, whichever occurs first, modify the LH and RH guidance units and the lateral control lever by installing bushings and washers to prevent shifting of the bearings in the axial direction as follows:

(A) Remove and disassemble the RH guidance unit and install a bushing, P/N L672M1012260, between the lever and the bracket as depicted in Detail B of Figure 4 of Eurocopter Alert Service Bulletin MBB BK117 C–2–67A–010, Revision 3, dated February 8, 2010 (BK117 ASB). Remove and disassemble the LH guidance unit and install a bushing, P/N L672M1012260, between the lever and the bracket as depicted in Detail C of Figure 4 of BK117 ASB.

(B) Remove the lateral control lever and install new bushings in accordance with the Accomplishment Instructions, paragraphs 3.C(9)(a) through 3.C(9)(g), of BK 117 ASB.

(C) Identify the modified lever assembly by writing ''MBB BK117 C–2–67A–010'' on the lever with permanent marking pen and protect with a single layer of lacquer (CM 421 or equivalent).

(D) Apply corrosion preventive paste (CM 518 or equivalent) on the shank of the screws and install airworthy parts as depicted in Figure 5 of BK117 ASB.

(E) At intervals not to exceed 600 hours TIS or 24 months, whichever occurs first, inspect the bearings in the RH guidance unit, LH guidance unit, and lateral control guidance unit for play. If any bearing is loose, replace the affected bearing with an airworthy bearing.

**(f) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Safety Management Group, FAA, may approve AMOCs for this AD. Send your proposal to: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, TX 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

**(g) Additional Information**

The subject of this AD is addressed in European Aviation Safety Agency (EASA) AD No. 2010–0058, dated March 30, 2010. You may view the EASA AD on the Internet at *http://www.regulations.gov* in Docket No. FAA–2013–0555.

**(h) Subject**

Joint Aircraft Service Component (JASC) Code: 6710, Main Rotor Control.

**(i) 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 the AD specifies otherwise.

(i) Eurocopter Alert Service Bulletin EC135–67A–019, Revision 3, dated December 16, 2009.

(ii) Eurocopter Alert Service Bulletin MBB BK117 C–2–67A–010, Revision 3, dated February 8, 2010.

(3) For Eurocopter service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub.*

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(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 Fort Worth, Texas, on February 20, 2014.

**Lance T. Gant,**

*Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. 2014–04589 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2014–0109; Directorate Identifier 2013–SW–049–AD; Amendment 39–17772; AD 2014–04–13]**

**RIN 2120–AA64**

## Airworthiness Directives; Agusta S.p.A. Helicopters

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

**ACTION:** Final rule; request for comments.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for Agusta S.p.A. (Agusta) Model AB412 and AB412 EP helicopters. This AD requires inspecting the tail rotor (T/R) blade for a crack, corrosion, nick, scratch, dent, or other damage and replacing or repairing the blade, depending on the damage. This AD is prompted by reports of T/R blade failures caused by fatigue cracking that originated from surface damage. These actions are intended to prevent failure of the T/R blade and subsequent loss of control of the helicopter.

**DATES:** This AD becomes effective March 25, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of March 25, 2014.

We must receive comments on this AD by May 9, 2014.

**ADDRESSES:** You may send comments by any of the following methods:

- *Federal eRulemaking Docket:* Go to *http://www.regulations.gov.* Follow the online instructions for sending your comments electronically.
- *Fax:* 202–493–2251.
- *Mail:* Send comments to the U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001.
- *Hand Delivery:* Deliver to the ''Mail'' address between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

### Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any incorporated by reference service information, any comments received, and other information. The street address for the Docket Operations Office (telephone 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

For service information identified in this AD, contact Agusta Westland, Product Support Engineering, Via del Gregge, 100, 21015 Lonate Pozzolo (VA) Italy, ATTN: Maurizio D'Angelo; telephone 39–0331–664757; fax 39–0331–664680; or at *http://www.agustawestland.com/technical-bulletins.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

**FOR FURTHER INFORMATION CONTACT:** Robert Grant, Aviation Safety Engineer, Safety Management Group, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *robert.grant@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

### Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and we did not provide you with notice and an opportunity to provide your comments prior to it becoming effective. However, we invite you to participate in this rulemaking by submitting written comments, data, or views. We also invite comments relating to the economic, environmental, energy, or federalism impacts that resulted from adopting this AD. The most helpful comments reference a specific portion of the AD, explain the reason for any recommended change, and include supporting data. To ensure the docket does not contain duplicate comments, commenters should send only one copy of written comments, or if comments are filed electronically, commenters should submit them only one time. We will file in the docket all comments that we receive, as well as a report summarizing each substantive public contact with FAA personnel concerning this rulemaking during the comment period. We will consider all the comments we receive and may conduct additional rulemaking based on those comments.

### Discussion

On April 22, 2008, we issued AD 2008–10–03, Amendment 39–15509 (73 FR 24858, May 6, 2008) for Bell Helicopter Textron Helicopters (Bell) Model 204B, 205A, 205A–1, 205B, 210, 212, 412, 412CF, and 412EP helicopters. AD 2008–10–03 required certain checks and inspections of each T/R blade at specified intervals and repairing or replacing, as applicable, any unairworthy T/R blade. AD 2008–10–03 was prompted by eight reports of fatigue cracking of T/R blades installed on Bell Model 212 and 412 helicopters (three failures on Bell Model 212 and five failures on Bell Model 412) with a T/R blade, part number (P/N) 212–010–750–009, –105, and –107. Three of the Model 412 failures occurred during flight.

After we issued AD 2008–10–03, an accident attributed to a T/R failure occurred. Because of this accident, we determined that a second, more detailed inspection was necessary to allow for an earlier detection of a crack or other damage. As a result, on July 11, 2013, we issued AD 2013–15–02, Amendment 39–17518 (78 FR 45845, July 30, 2013), which superseded AD 2008–10–03. These actions were intended to prevent failure of the T/R blade and subsequent loss of helicopter control.

Although similar failures have not been reported on Agusta helicopters, T/R blade P/N 212–010–750 may be installed on Agusta Model AB205A1, AB212, AB412, and AB412 EP helicopters. As a result, EASA, which is the Technical Agent for the Member States of the European Union, issued AD No. 2013–0185, dated August 14, 2013, to correct an unsafe condition for Agusta Model AB205A1, AB212, AB412, and AB412 EP helicopters. EASA advised that Bell reported some failures in T/R blade P/N 212–010–750 (all dash numbers), which originated from a fatigue crack derived from surface damages. EASA consequently requires detailed visual inspections of the T/R blade surface for nicks, dents, scratches, corrosion or cracks. EASA also requires repair or replacement of the T/R blade, depending on the outcome of those inspections.

### FAA's Determination

These helicopters have been approved by the aviation authority of Italy and are approved for operation in the United States. Pursuant to our bilateral

agreement with Italy, EASA, its technical representative, has notified us of the unsafe condition described in the EASA AD. We are issuing this AD because we evaluated all information provided by EASA and determined that the unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs.

**Related Service Information**

AgustaWestland, formerly Agusta S.p.A., issued Bollettino Tecnico No. 412–136, dated August 13, 2013 (BT), for Model AB412 and Model AB412 EP helicopters. The BT calls for visually inspecting the T/R blade surface for a crack, corrosion, a nick, a scratch, a dent, or other damage using a 3X magnifying glass every 25 hours time-in-service (TIS) or 30 days, whichever occurs first. The BT also calls for a recurring detailed visual inspection of the blade surface with a 10X magnifying glass between stations 20.00 to 35.00 from the T/R blade's leading edge to the trailing edge. If paint blistering, peeling, flaking, bubbling, or cracking exists, the BT calls for removing the paint and inspecting the affected area with a 10X magnifying glass. If a nick, scratch or dent exists, the BT calls for a visual inspection for a crack with a 10X magnifying glass and measuring any damage. If skin damages exceed maintenance manual limits or if a crack exists, the BT calls for removing the blade from service.

**AD Requirements**

This AD requires within 25 hours TIS or 30 days, whichever occurs first, and thereafter at intervals not to exceed 25 hours TIS or 30 days, whichever occurs first:

- Cleaning each T/R blade by hand and, using a 3X or higher power magnifying glass and a light, visually inspecting the T/R blade skins, leading edge spar, doublers, grip plates, and trailing edge on both sides of each blade for a crack, corrosion, a nick, scratch, dent, or other damage. This inspection requires you to pay particular attention to the area located between blade station 20.00 to 35.00 and to the inboard T/R blade butt area near the attachment of the external balance weight and screws.
- Using a 10X or higher magnifying glass and a light, visually inspecting both sides of each blade for a crack or other damage between blade station 20.00 to 35.00.
- If blistering, peeling, flaking, bubbling, or cracked paint is detected anywhere on the blade, removing the paint and then visually inspecting the affected area for any corrosion or a crack using a 10X or higher magnifying glass and a light.
- If a nick, scratch, or dent is found anywhere on the blade, visually inspecting for a crack using a 10X or higher power magnifying glass and a light.
- Before further flight, removing from service any T/R blade that has a crack or that has corrosion, a nick, a scratch, a dent, or other damage that exceeds any of the maximum repair limits.
- Before further flight, repairing or removing from service any T/R blade that has any corrosion, nick, scratch, dent or other damage that is within the maximum repair limits.

**Differences Between This AD and the EASA AD**

The EASA AD applies to Agusta Model AB205A1 and AB212 helicopters. This AD does not because these helicopters have no FAA type certificate. This AD requires paying particular attention to both sides of each T/R blade in the area located 16 to 32 inches from the T/R blade tip when conducting the inspection using a 3X or higher power magnifying glass and a light. The EASA AD makes no such requirement.

**Costs of Compliance**

There are no costs of compliance with this AD because there are no helicopters with this type certificate on the U.S. Registry.

**FAA's Justification and Determination of the Effective Date**

There are no helicopters with this type certificate on the U.S. Registry. Therefore, we believe it is unlikely that we will receive any adverse comments or useful information about this AD from U.S. Operators.

Since an unsafe condition exists that requires the immediate adoption of this AD, we determined that notice and opportunity for public comment before issuing this AD are unnecessary because there are no helicopters on the U.S. registry and that good cause exists for making this amendment effective in less than 30 days.

**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, I certify that this AD:

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);
3. Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; 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.

**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):

**2014–04–13 Agusta S.p.A. Helicopters:** Amendment 39–17772; Docket No. FAA–2014–0109; Directorate Identifier 2013–SW–049–AD.

**(a) Applicability**

This AD applies to Agusta S.p.A. (Agusta) Model AB412 and AB412 EP helicopters with a tail rotor blade (T/R) blade, part number

(P/N) 212–010–750 (all dash numbers), installed, certificated in any category.

**(b) Unsafe Condition**

This AD defines the unsafe condition as fatigue cracking of a T/R blade, which could lead to failure of the T/R blade and subsequent loss of control of the helicopter.

**(c) Effective Date**

This AD becomes effective March 25, 2014.

**(d) Compliance**

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

**(e) Required Actions**

(1) Within 25 hours time-in-service (TIS) or 30 days, whichever occurs first, and thereafter at intervals not to exceed 25 hours TIS or 30 days, whichever occurs first:

(i) Clean each T/R blade by hand using a mild soap and cheesecloth on both sides of the blade in a spanwise direction and dry thoroughly.

(ii) Using a 3X or higher power magnifying glass and a light, visually inspect the T/R blade skin, leading edge spar, doublers, grip plates, and trailing edge on both sides of each blade for a crack, corrosion (which may be indicated by blistering, peeling, flaking, bubbling, or cracked paint), a nick, a scratch, a dent, or other damage. Pay particular attention to both sides of each T/R blade in the area located 16 to 32 inches from the T/R blade tip (blade station 20.00 to 35.00; the T/R blade tip is located at blade station 51) as depicted by the shaded area in Figure 2 of AgustaWestland Bollettino Tecnico No. 412–136, dated August 13, 2013 (BT). Also, pay particular attention to the inboard T/R blade butt area near the attachment of the external balance weight and screws and to any T/R blade surface that was snagged by cheesecloth, as this may be an indication of a crack or paint chip that could lead to corrosion.

(iii) Using a 10X or higher power magnifying glass and a light, visually inspect both sides of each T/R blade for a crack, corrosion (which may be indicated by blistering, peeling, flaking, bubbling, or cracked paint), a nick, a scratch, a dent or other damage between blade station 20.00 to 35.00 as depicted by the shaded area in Figure 2 of the BT.

(iv) If there is any blistering, peeling, flaking, bubbling, or cracked paint on a T/R blade, remove the paint from the affected area by sanding in a spanwise direction first with abrasive cloth or paper 240-grit or finer and then with abrasive cloth or paper 400-grit or finer. After paint removal, wipe area with a clean cloth dampened with alcohol and dry thoroughly and then visually inspect the affected area for any corrosion or a crack using a 10X or higher power magnifying glass and a light. If any corrosion is found, measure the depth of the damage.

(v) If there is a nick, scratch, or dent on the T/R blade, visually inspect for a crack using a 10X or higher power magnifying glass and a light. Measure the depth of the damage.

(2) Before further flight, remove from service any T/R blade that has a crack, corrosion, a nick, a scratch, a dent, or other damage that exceeds any of the maximum repair damage limits.

(3) Before further flight, repair or remove from service any T/R blade that has corrosion, a nick, a scratch, a dent or other damage that is within the maximum repair damage limits.

(4) Do not install on any helicopter T/R blade P/N 212–010–750 (all dash numbers) unless it has been inspected in accordance with the requirements of this AD.

**(f) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Safety Management Group, FAA, may approve AMOCs for this AD. Send your proposal to: Robert Grant, Aviation Safety Engineer, Safety Management Group, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *robert.grant@faa.gov.*

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

**(g) Additional Information**

The subject of this AD is addressed in the European Aviation Safety Agency (EASA) AD. No. 2013–0185, dated August 14, 2013. You may view the EASA AD on the Internet at *http://www.regulations.gov* in Docket No. FAA–2014–0109.

**(h) Subject**

Joint Aircraft Service Component (JASC) Code: 6410, tail rotor blades.

**(i) Material Incorporated by Reference**

(1) The Director of the Federal Register approved the incorporation by reference 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 the AD specifies otherwise.

(i) AgustaWestland Bollettino Tecnico No. 412–136, dated August 13, 2013.

(ii) Reserved.

(3) For Agusta service information identified in this AD, contact AgustaWestland, Product Support Engineering, Via del Gregge, 100, 21015 Lonate Pozzolo (VA) Italy, ATTN: Maurizio D'Angelo; telephone 39–0331–664757; fax 39–0331–664680; or at *http://www.agustawestland.com/technical-bulletins.*

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(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 Fort Worth, Texas, on February 20, 2014.

**Lance T. Gant,**

*Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. 2014–04274 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2013–0554; Directorate Identifier 2012–SW–009–AD; Amendment 39–17774; AD 2014–05–01]**

**RIN 2120–AA64**

## Airworthiness Directives; Eurocopter Deutschland GmbH Helicopters

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for Eurocopter Deutschland GmbH (Eurocopter) Model EC135P1, EC135P2, EC135P2+, EC135T1, EC135T2, and EC135T2+ helicopters. This AD requires analyzing the main gearbox (MGB) oil for indications of metal chips or pieces, reviewing the MGB log or equivalent record, and inspecting certain teeth in the MGB after two chip indications. This AD was prompted by a partial tooth rupture found in an MGB that was returned to the manufacturer for repairs. The actions of this AD are intended to detect wear in the MGB that could lead to a gear tooth rupture, failure of the MGB, loss of power to the main rotor, and subsequent loss of control of the helicopter.

**DATES:** This AD is effective April 14, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of April 14, 2014.

**ADDRESSES:** For service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

**Examining the AD Docket**

You may examine the AD docket on the Internet at *http://www.regulations.gov* or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the European Aviation Safety Agency (EASA) AD, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for the Docket Operations Office (phone: 800–647–5527) is U.S. Department of Transportation, Docket Operations Office, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

**FOR FURTHER INFORMATION CONTACT:** Rao Edupuganti, Aviation Safety Engineer, Regulations and Policy Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *rao.edupuganti@faa.gov*.

**SUPPLEMENTARY INFORMATION:**

**Discussion**

On July 3, 2013, at 78 FR 40053, the **Federal Register** published our notice of proposed rulemaking (NPRM), which proposed to amend 14 CFR part 39 by adding an AD that would apply to Eurocopter Model EC135 P1, EC135 P2, EC135 P2+, EC135 T1, EC135 T2, and EC135 T2+ helicopters with an MGB, part number (P/N) 4649 010 003, 4649 010 005, 4649 010 006, 4649 010 006X, 4649 010 008, 4649 010 008X, 4649 001 007, 4649 010 010, or 4649 010 013 installed. The NPRM proposed to require analyzing the MGB oil for indications of metal chips or pieces, reviewing the MGB log or equivalent record, and inspecting certain teeth in the MGB after two chip indications. The proposed requirements were intended to detect wear in the MGB that could lead to a gear tooth rupture, failure of the MGB, loss of power to the main rotor, and subsequent loss of control of the helicopter.

The Required Actions section of the NPRM had a typographical error in some references to Eurocopter Alert Service Bulletin (ASB) EC135–63A–012, Revision 5, dated September 6, 2011. That error has been corrected in this AD.

The NPRM was prompted by AD No. 2009–0106R1, dated November 3, 2011, issued by EASA, which is the Technical Agent for the Member States of the European Union. EASA advises that an MGB was returned to the manufacturer for repair after ''several chip indications.'' According to EASA, a partial tooth rupture was detected after disassembly of the gearbox and removal of a drive pinion. EASA states the tooth rupture was determined to have been caused by wear. EASA AD No. 2009–0106R1 includes requirements and timetables for oil sampling and analysis; checking the gearbox log card for chip indications; and corrective measures for chip indications. It also states that a prescribed modification to the MGB would be terminating action for the AD.

**Comments**

We gave the public the opportunity to participate in developing this AD, but we received no comments on the NPRM (78 FR 40053, July 3, 2013).

**FAA's Determination**

These helicopters have been approved by the aviation authority of Germany and are approved for operation in the United States. Pursuant to our bilateral agreement with Germany, EASA, its technical representative, has notified us of the unsafe condition described in the EASA AD. We are issuing this AD because we evaluated all information provided by EASA and determined the unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs and that air safety and the public interest require adopting the AD requirements as proposed except for correcting the references to Eurocopter Alert Service Bulletin EC135–63A–012, Revision 5, dated September 6, 2011, in paragraphs (e)(2)(ii)(A), (e)(3), (e)(4)(i), and (e)(4)(ii). These corrections are consistent with the intent of the proposals in the NPRM (78 FR 40053, July 3, 2013) and will not increase the economic burden on any operator nor increase the scope of the AD.

**Differences Between This AD and the EASA AD**

The EASA AD applies to military EC635 helicopters. This AD does not apply to EC635 helicopters because they are not type certificated in the United States.

**Related Service Information**

Eurocopter issued ASB EC135–63A–012 on August 8, 2007, which was followed by five revisions, the most recent of which was issued September 6, 2011. The ASBs prescribe procedures to monitor and detect wear in time to prevent MGB tooth ruptures in main transmissions for EC135 and EC635 model helicopters. Revision 5 of the ASB prescribes procedures for taking and analyzing scheduled oil samples, identifying and addressing chip indications, and inspecting certain teeth in gearboxes.

**Costs of Compliance**

We estimate that this AD affects 242 helicopters of U.S. Registry and that labor costs average $85 per work-hour. Based on these estimates, we expect the following costs:

- Taking oil samples will take 1 work-hour. Assuming 2 samples per aircraft per year, we estimate a total cost of $170. No parts are needed, so the total cost for the U.S. fleet is $41,140.
- A laboratory analysis of 2 oil samples cost $200 per helicopter for labor and equipment, for a total fleet cost of $48,400.
- Inspecting the oil filter element for a chip requires about a half-hour of labor for a cost per helicopter of about $43. No parts are needed.
- Inspecting certain teeth in the gearbox, performing a ground run, and inspecting for leaking oil takes 8 work-hours for a labor cost of $680. Parts cost $196, for a total cost per helicopter of $876.
- If the oil sample analysis indicates metal chips, recording the results on the aircraft log card takes a half-hour for a labor cost of about $43 per helicopter.
- The cost of examining the log card for any previously recorded chip indications is minimal.
- Inspecting the chip detector for deposits requires about 5 minutes of labor for a labor cost of about $7.
- Replacing the MGB with an airworthy MGB requires 8 work-hours for a labor cost of $680. Parts cost $145,000 for total cost per helicopter of $145,680.

**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 helicopters identified in this rulemaking action.

**Regulatory Findings**

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 DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);

(3) Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; 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.

We prepared an economic evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

**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):

**2014–05–01 Eurocopter Deutschland GmbH (Eurocopter):** Amendment 39–17774; Docket No. FAA–2013–0554; Directorate Identifier 2012–SW–009–AD.

**(a) Applicability**

This AD applies to Model EC135P1, EC135P2, EC135P2+, EC135T1, EC135T2, and EC135T2+ helicopters with a main gearbox (MGB), part number (P/N) 4649 010 003, 4649 010 005, 4649 010 006, 4649 010 006X, 4649 010 008, 4649 010 008X, 4649 001 007, 4649 010 010, or 4649 010 013 installed, certificated in any category.

**(b) Unsafe Condition**

This AD defines the unsafe condition as a tooth rupture in the MGB. This condition could result in failure of the MGB, loss of power to the main rotor, and subsequent loss of control of the helicopter.

**(c) Effective Date**

This AD becomes effective April 14, 2014.

**(d) Compliance**

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

**(e) Required Actions**

(1) Within 100 hours time-in-service (TIS), and thereafter at intervals not to exceed 100 hours or 12 months, whichever occurs first, take an oil sample in accordance with the Accomplishment Instructions, Part 1, of Eurocopter Alert Service Bulletin EC135–63A–012, Revision 5, dated September 6, 2011 (ASB EC135–63A–012).

(2) Within 25 hours TIS after taking the oil sample in paragraph (e)(1) of this AD, analyze the oil sample in accordance with the Accomplishment Instructions, Part 2.A. through Part 2.C. of ASB EC135–63A–012, except that you are not required to contact Eurocopter.

(i) If the analysis indicates Stage II as specified by the Accomplishment Instructions, Part 2.B., of ASB EC135–63A–012, within 25 hours TIS, remove and inspect the oil filter element for a chip, defined as any solid piece of metal but not metallic fuzz or fine particles.

(A) If there are no chips, clean the oil filter element and chip detector, inspect the drive stage toothing, perform a ground run, and inspect for leaking oil in accordance with the Accomplishment Instructions, Part 4.A through 4.G, of ASB EC135–63A–012. Change the oil.

(B) If there is a chip, replace the MGB with an airworthy MGB before further flight.

(ii) If the analysis indicates Stage III as specified by the Accomplishment Instructions, Part 2.B., of ASB EC135–63A–012 and if the water content is between 0.1 and 0.5 percent, within 10 hours TIS, remove and inspect the oil filter element for a chip.

(A) If there are no chips, clean the oil filter element and chip detector, inspect the drive stage toothing, perform a ground run, and inspect for leaking oil in accordance with the Accomplishment Instructions, Part 4.A through 4.G, of ASB EC135–63A–012. Change the oil.

(B) If there is a chip, replace the MGB with an airworthy MGB before further flight.

(3) Before the MGB has accumulated 300 hours TIS, determine whether two or more chip indications have occurred. If two or more chip indications have occurred, inspect the drive stage toothing, perform a ground run, and inspect for leaking oil in accordance with the Accomplishment Instructions, Part 4.A through 4.G, of ASB EC135–63A–012.

(4) Any time there is a chip indication, remove and inspect the chip detector for deposits (fine particles or metallic fuzz) or chips, and remove and inspect the oil filter element for a chip.

(i) If there are no chips and a minimal amount of particles or metallic fuzz, corresponding to Figure 5, Stage A of ASB EC135–63A–012, clean the chip detector and the oil filter element and enter the chip indication on the MGB log card before further flight.

(ii) If there are no chips and some particles or metallic fuzz, corresponding to Figure 5, Stage B of ASB EC135–63A–012, clean the chip detector and the oil filter element and enter the chip indication on the MGB log card before further flight, and within 10 hours TIS inspect the drive stage toothing, perform a ground run, and inspect for leaking oil in accordance with the Accomplishment Instructions, Part 4.A through 4.G, of ASB EC135–63A–012. Perform a ground run for 15 minutes at the flight-idle power setting, and then re-inspect the chip detector for a chip, particles, and metallic fuzz.

(iii) If there is a chip, replace the MGB with an airworthy MGB.

**(f) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Safety Management Group, FAA, may approve AMOCs for this AD. Send your proposal to: Rao Edupuganti, Aviation Safety Engineer, Regulations and Policy Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *rao.edupuganti@faa.gov*.

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

**(g) Additional Information**

The subject of this AD is addressed in the European Aviation Safety Agency (EASA) AD No. 2009–0106R1, dated November 3, 2011. You may view the EASA AD on the Internet at *http://www.regulations.gov* in Docket No. FAA–2013–0554.

**(h) Subject**

Joint Aircraft Service Component (JASC) Code: 6320, Main Rotor Gearbox.

**(i) 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 the AD specifies otherwise.

(i) Eurocopter Alert Service Bulletin EC135–63A–012, Revision 5, dated September 6, 2011.

(ii) Reserved.

(3) For Eurocopter service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub*.

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(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 Fort Worth, Texas, on February 24, 2014.

**Bruce E. Cain,**

*Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. 2014–04570 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2013–0642; Directorate Identifier 2011–SW–035–AD; Amendment 39–17777; AD 2014–05–04]**

**RIN 2120–AA64**

## Airworthiness Directives; Eurocopter Deutschland GmbH Helicopters

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** We are adopting a new airworthiness directive (AD) for Eurocopter Deutschland GmbH (Eurocopter) Model MBB–BK 117 C–2 helicopters with a jettisonable sliding door (door) installed. This AD requires inspecting the lock release assembly and the middle and upper lever locking bolts of each door, replacing any damaged parts with airworthy parts, and ensuring the door is correctly installed. This AD was prompted by the uncommanded detaching of a door from an MBB–BK 117 C–2 fuselage. The actions of this AD are intended to prevent the in-flight loss of the door, which could damage the helicopter and injure persons on the ground.

**DATES:** This AD is effective April 14, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of April 14, 2014.

**ADDRESSES:** For service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

**Examining the AD Docket**

You may examine the AD docket on the Internet at *http://www.regulations.gov* or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the foreign authority's AD, any incorporated-by-reference service information, the economic evaluation, any comments received, and other information. The street address for the Docket Operations Office (phone: 800–647–5527) is U.S. Department of Transportation, Docket Operations Office, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

**FOR FURTHER INFORMATION CONTACT:** Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

**Discussion**

On July 23, 2013, at 78 FR 44039, the **Federal Register** published our notice of proposed rulemaking (NPRM), which proposed to amend 14 CFR part 39 by adding an AD that would apply to Model MBB–BK 117 C–2 helicopters with a jettisonable door installed. The NPRM proposed to require inspecting the lock release assembly and the middle and upper lever locking bolts of each door, replacing any damaged parts with airworthy parts, and ensuring the door is correctly installed. The proposed requirements were intended to prevent the in-flight loss of the door, which could damage the helicopter and injure persons on the ground.

The NPRM was prompted by AD No. 2011–0107, dated June 7, 2011, issued by the European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Union. AD No. 2011–0107 was issued to correct an unsafe condition for Eurocopter Model MBB–BK 117 C–2 helicopters with jettisonable sliding doors installed. EASA states that in early 2010 it received a report that the door guides of the jettison mechanism on an MBB–BK 117 C–2 helicopter released uncommanded while the door was being opened, resulting in the door detaching from the fuselage. EASA has determined that ''this condition, if not detected and corrected, could result in cases of in-flight loss of the jettisonable door, possibly resulting in damage to, or loss of control of, the helicopter, or injury to persons on the ground.'' As a result, EASA requires repetitive inspections for the correct installation of the doors, door guides, and release cables.

**Comments**

We gave the public the opportunity to participate in developing this AD, but we received no comments on the NPRM (78 FR 44039, July 23, 2013).

**FAA's Determination**

These helicopters have been approved by the aviation authority of Germany and are approved for operation in the United States. Pursuant to our bilateral agreement with Germany, EASA, its technical representative, has notified us of the unsafe condition described in the EASA AD. We are issuing this AD because we evaluated all information provided by EASA and determined the unsafe condition exists and is likely to exist or develop on other helicopters of these same type designs and that air safety and the public interest require adopting the AD requirements as proposed.

**Differences Between This AD and the EASA AD**

This AD requires that the inspections be conducted within 50 hours time-in-service (TIS). The EASA AD requires that the inspections be conducted within 50 hours TIS or 60 days, whichever occurs first after the effective date of the EASA AD.

The EASA AD requires that you contact Eurocopter to determine corrective action, and this AD does not.

The EASA AD requires a repetitive inspection, each time when the installation of the door guides for the jettisonable sliding doors is accomplished. This AD does not require this repetitive inspection because that is considered normal maintenance.

**Related Service Information**

We reviewed Eurocopter Alert Service Bulletin MBB–BK117 C–2–52A–015, Revision 0, dated April 26, 2011 (ASB), for Model MBB–BK 117 C–2 helicopters with jettisonable sliding doors installed. The ASB calls for inspecting the lock release assembly for damage and correct installation and inspecting the middle lever and upper lever locking bolts for correct installation. The ASBs require the inspections to be conducted within 50 hours TIS or two months, whichever occurs first, and thereafter after every door guide installation.

**Costs of Compliance**

We estimate that this AD affects 108 helicopters of U.S. Registry and that labor costs average $85 a work-hour. Based on these estimates, we expect the following costs:

• Visually inspecting the door's lock release assembly and the middle and upper levers requires 4 work-hours for a labor cost of $340 per helicopter. No parts are needed, so that the total cost for the U.S. fleet is $36,720.

• Visually inspecting all hardware, guides and door attachment points for misaligned or bent fittings requires 4 work-hours for a labor cost of $340 per helicopter. Parts may be needed but on an individual basis, so that the total cost for the U.S. fleet is at least $36,720.

**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 helicopters identified in this rulemaking action.

**Regulatory Findings**

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 DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);

(3) Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; 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.

We prepared an economic evaluation of the estimated costs to comply with this AD and placed it in the AD docket.

**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):

**2014–05–04 Eurocopter Deutschland GmbH (Eurocopter):** Amendment 39–17777; Docket No. FAA–2013–0642; Directorate Identifier 2011–SW–035–AD.

**(a) Applicability**

This AD applies to Model MBB–BK 117 C–2 helicopters with a jettisonable main cabin sliding door (door) installed, certificated in any category.

**(b) Unsafe Condition**

This AD defines the unsafe condition as the door detaching uncommanded from the fuselage. This condition could result in the in-flight loss of the door, which could damage the helicopter or cause injury or damage on the ground.

**(c) Effective Date**

This AD becomes effective April 14, 2014.

**(d) Compliance**

You are responsible for performing each action required by this AD within the specified compliance time unless it has already been accomplished prior to that time.

**(e) Required Actions**

Within 50 hours time-in-service:

(1) Visually inspect each door lock release assembly for a frayed cable, a stripped thread on a screw joint, pitting on a door guide, release cable, or associated hardware, and for correct installation by following the Accomplishment Instructions, paragraph 3.B.1. (a) through (c), except (c)(1) and (c)(2), of Eurocopter Alert Service Bulletin MBB–BK117 C–2–52A–015, Revision 0, dated April 26, 2011 (ASB).

(i) Replace with an airworthy part any frayed cables, screw joints with stripped threads, or any door guides, release cables, and associated hardware with pitting. Allow for a minimum of one millimeter clearance at each end of the release cables.

(ii) Install the aft cover and aft inner handle.

(2) Inspect each middle lever and upper lever locking bolt for correct installation by following the Accomplishment Instructions, paragraphs 3.B.2 and 3.B.3, of the ASB, except that we do not require you to contact Eurocopter.

(3) If the door cannot be correctly rigged after performing the actions required by paragraph (e)(2) of this AD, inspect all hardware, guides, and door attachment points for misalignment or bent fittings. Replace misaligned or bent parts with airworthy parts before you operate the door in-flight and re-inspect according to the requirements in paragraph (e)(2) of this AD.

**(f) Special Flight Permits**

A one-time flight to a maintenance facility is permitted provided that the door is not opened in flight.

**(g) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Safety Management Group, FAA, may approve AMOCs for this AD. Send your proposal to: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov*.

(2) For operations conducted under a 14 CFR part 119 operating certificate or under 14 CFR part 91, subpart K, we suggest that you notify your principal inspector, or lacking a principal inspector, the manager of the local flight standards district office or certificate holding district office, before operating any aircraft complying with this AD through an AMOC.

**(h) Additional Information**

The subject of this AD is addressed in European Aviation Safety Agency (EASA) AD No. 2011–0107, dated June 7, 2011. You may view the EASA AD on the Internet at *http://www.regulations.gov* in Docket No. FAA–2013–0642.

**(i) Subject**

Joint Aircraft Service Component (JASC) Code: 5200, Doors.

**(j) 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 the AD specifies otherwise.

(i) Eurocopter Alert Service Bulletin MBB–BK117 C–2–52A–015, Revision 0, dated April 26, 2011.

(ii) Reserved.

(3) For Eurocopter service information identified in this AD, contact American Eurocopter Corporation, 2701 N. Forum Drive, Grand Prairie, TX 75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.eurocopter.com/techpub*.

(4) You may view this service information at FAA, Office of the Regional Counsel,

Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(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 Fort Worth, Texas, on February 20, 2014.

**Lance T. Gant,**

*Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.*

[FR Doc. 2014–04571 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

## Federal Aviation Administration

## 14 CFR Part 39

**[Docket No. FAA–2013–0789; Directorate Identifier 2013–NM–127–AD; Amendment 39–17782; AD 2014–05–09]**

**RIN 2120–AA64**

## Airworthiness Directives; The Boeing Company Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** We are superseding Airworthiness Directive (AD) 2012–12–08 for certain The Boeing Company Model 777–200 and –300 series airplanes. AD 2012–12–08 required an inspection for the part number of the main landing gear retract actuator fuse pin, and replacement of the pin if necessary. This new AD retains the actions required by AD 2012–12–08 and adds airplanes to the applicability. This AD was prompted by a determination that additional airplanes may be subject to the identified unsafe condition. We are issuing this AD to prevent structural damage to the side and drag brace lock assemblies, which could result in landing gear collapse during touchdown, rollout, or taxi.

**DATES:** This AD is effective April 14, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of April 14, 2014.

**ADDRESSES:** For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.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.

### Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2013–0789; 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 address for the Docket Office (phone: 800–647–5527) is 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 20590.

**FOR FURTHER INFORMATION CONTACT:** Melanie Violette, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6422; fax: 425–917–6590; email: *melanie.violette@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

### Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2012–12–08, Amendment 39–17088 (77 FR 37781, June 25, 2012). (A correction of AD 2012–12–08 was published in the **Federal Register** on July 20, 2012 (77 FR 42625)). AD 2012–12–08 applied to certain The Boeing Company Model 777–200 and –300 series airplanes. The NPRM published in the **Federal Register** on September 19, 2013 (78 FR 57542). The NPRM was prompted by a determination that additional airplanes may be subject to the identified unsafe condition. The NPRM also proposed to continue to require the actions required by AD 2012–12–08. The NPRM also proposed to add airplanes to the applicability; and to require an inspection for the part number of the main landing gear retract actuator fuse pin, and replacement of the pin if necessary. We are issuing this AD to prevent structural damage to the side and drag brace lock assemblies, which could result in landing gear collapse during touchdown, rollout, or taxi.

### Comments

We gave the public the opportunity to participate in developing this AD. The following presents the comments received on the proposal (78 FR 57542, September 19, 2013) and the FAA's response to each comment.

### Request for Clarification of Compliance Time

Boeing requested that we revise the last sentence of paragraph (g) of the NPRM (78 FR 57542, September 19, 2013) to add the phrase, ''Except as required by paragraph (h) of this AD,'' at the beginning of the sentence. Boeing reasoned that it is unclear if the replacement referred to in the last sentence should be done within the specified compliance time after the release date of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013, or within the specified compliance time after the effective date of this AD.

We agree to revise this final rule for the reasons stated by Boeing. We have revised paragraph (g) of this final rule accordingly.

### Conclusion

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

- Are consistent with the intent that was proposed in the NPRM (78 FR 57542, September 19, 2013) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 57542, September 19, 2013).

We also determined that these changes will not increase the economic burden on any operator or increase the scope of this AD.

### Costs of Compliance

We estimate that this AD affects 129 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

ESTIMATED COSTS

| Action | Labor cost | Parts cost | Cost per product | Cost on U.S. operators |
|---|---|---|---|---|
| Inspection | 5 work-hours × $85 per hour = $425 | $0 | $425 | $54,825 |

We estimate the following costs to do any necessary replacements that would be required based on the results of the inspection. We have no way of determining the number of aircraft that might need these replacements:

ON-CONDITION COSTS

| Action | Labor cost | Parts cost | Cost per product |
|---|---|---|---|
| Pin Replacement | 1 work-hour × $85 per hour = $85 per pin | $700 per pin | $785 per pin. |

**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 have 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 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.

**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 removing Airworthiness Directive (AD) 2012–12–08, Amendment 39–17088 (77 FR 37781, June 25, 2012; corrected July 20, 2012 (77 FR 42625)), and adding the following new AD:

**2014–05–09 The Boeing Company:** Amendment 39–17782; Docket No. FAA–2013–0789; Directorate Identifier 2013–NM–127–AD.

**(a) Effective Date**

This AD is effective April 14, 2014.

**(b) Affected ADs**

This AD supersedes AD 2012–12–08, Amendment 39–17088 (77 FR 37781, June 25, 2012; corrected July 20, 2012 (77 FR 42625)).

**(c) Applicability**

This AD applies to The Boeing Company Model 777–200 and –300 series airplanes, certificated in any category, as identified in Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013.

**(d) Subject**

Air Transport Association (ATA) of America Code 32, Landing Gear.

**(e) Unsafe Condition**

This AD was prompted by a determination that additional airplanes may be subject to the identified unsafe condition. We are issuing this AD to prevent structural damage to the side and drag brace lock assemblies, which could result in landing gear collapse during touchdown, rollout, or taxi.

**(f) Compliance**

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

**(g) Part Number Inspection and Replacement**

Except as required by paragraph (h) of this AD, at the applicable time specified in paragraph 1.E., ''Compliance,'' of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013: Inspect the retract actuator fuse pin to determine the part number, and replace any retract actuator fuse pin having part number 112W1769–1, in accordance with the Accomplishment Instructions of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013. A review of airplane maintenance records is acceptable in lieu of this inspection if the part number of the retract actuator fuse pin can be conclusively determined from that review. Except as required by paragraph (h) of this AD, do all applicable replacements at the applicable time specified in paragraph 1.E., ''Compliance,'' of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013.

**(h) Exception to Service Information Specifications**

Where Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013, specifies a compliance time ''after the Revision 2 date of this service bulletin,'' this AD requires compliance within the specified compliance time after the effective date of this AD.

**(i) Parts Installation Prohibition**

(1) For airplanes identified in Group 1 of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013: As of July 30, 2012 (the effective date of AD 2012–12–08, Amendment 39–17088 (77 FR 37781, June 25, 2012; corrected July 20, 2012 (77 FR 42625)), no person may install a retract actuator fuse pin having part number 112W1769–1 on any airplane.

(2) For airplanes identified in Group 2 of Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013: As of the effective date of this AD, no person may install a retract actuator fuse pin having part number 112W1769–1 on any airplane.

**(j) Credit for Previous Actions**

(1) This paragraph provides credit for the actions specified in paragraph (g) of this AD, if those actions were performed before the effective date of AD 2012–12–08, Amendment 39–17088 (77 FR 37781, June 25, 2012; corrected July 20, 2012 (77 FR 42625)), using Boeing Special Attention Service Bulletin 777–32–0083, dated February 5, 2009, which is not incorporated by reference in this AD.

(2) This paragraph provides credit for the actions specified in paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Boeing Special Attention Service Bulletin 777–32–0083, Revision 1, dated February 17, 2011, which is not incorporated by reference in this AD.

**(k) Alternative Methods of Compliance (AMOCs)**

(1) The Manager, Seattle Aircraft Certification Office (ACO), 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 manager of the ACO, send it to the attention of the person identified in paragraph (l)(1) of this AD. Information may be emailed to: *9-ANM-Seattle-ACO-AMOC-Requests@faa.gov.*

(2) 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.

(3) An AMOC that provides an acceptable level of safety may be used for any repair required by this AD if it is approved by the Boeing Commercial Airplanes Organization Designation Authorization (ODA) that has been authorized by the Manager, Seattle ACO, to make those findings. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

**(l) Related Information**

(1) For more information about this AD, contact Melanie Violette, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6422; fax: 425–917–6590; email: *melanie.violette@faa.gov.*

(2) Service information identified in this AD that is not incorporated by reference in this AD may be obtained 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 the AD specifies otherwise.

(i) Boeing Special Attention Service Bulletin 777–32–0083, Revision 2, dated May 2, 2013.

(ii) Reserved.

(3) For Boeing service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.*

(4) You may view this service information at FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, Washington. 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 February 18, 2014.

**Ross Landes,**

*Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.*

[FR Doc. 2014–04588 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## CONSUMER PRODUCT SAFETY COMMISSION

## 16 CFR Parts 1112 and 1227

**[Docket No. CPSC–2013–0019]**

## Safety Standard for Carriages and Strollers

**AGENCY:** Consumer Product Safety Commission.

**ACTION:** Final rule.

**SUMMARY:** The Danny Keysar Child Product Safety Notification Act, section 104 of the Consumer Product Safety Improvement Act of 2008 (CPSIA), requires the United States Consumer Product Safety Commission (Commission or CPSC) to promulgate consumer product safety standards for durable infant or toddler products. These standards are to be ''substantially the same as'' applicable voluntary standards or more stringent than the voluntary standards if the Commission concludes that more stringent requirements would further reduce the risk of injury associated with the products. The Commission is issuing a safety standard for carriages and strollers in response to the direction under Section 104(b) of the CPSIA.

**DATES:** The rule is effective on September 10, 2015. The incorporation by reference of the publication listed in this rule is approved by the Director of the Federal Register as of September 10, 2015.

**FOR FURTHER INFORMATION CONTACT:** Mike Lee, Compliance Officer, Consumer Product Safety Commission, 4330 East West Highway, Bethesda, MD 20814; telephone: 301–504–7737; email: *mlee@cpsc.gov.*

**SUPPLEMENTARY INFORMATION:**

### A. Background and Statutory Authority

The Consumer Product Safety Improvement Act of 2008 (CPSIA, Pub. L. 110–314) was enacted on August 14, 2008. Section 104(b) of the CPSIA, part of the Danny Keysar Child Product Safety Notification Act, requires the Commission to: (1) Examine and assess the effectiveness of voluntary consumer product safety standards for durable infant or toddler products, in consultation with representatives of consumer groups, juvenile product manufacturers, and independent child product engineers and experts; and (2) promulgate consumer product safety standards for durable infant and toddler products. These standards are to be ''substantially the same as'' applicable voluntary standards or more stringent than the voluntary standards if the Commission concludes that more stringent requirements would further reduce the risk of injury associated with the products.

On May 20, 2013, the Commission issued a notice of proposed rulemaking (NPR) for carriages and strollers. 78 FR 29279. The NPR proposed to incorporate by reference the voluntary standard, ASTM 833–13, ''Standard Consumer Safety Performance Specification for Carriages and Strollers,'' with certain changes to provisions in the voluntary standard to strengthen the ASTM standard.

In this document, the Commission is issuing a safety standard for carriages and strollers. As required by Section 104(b)(1)(A), the Commission consulted with manufacturers, retailers, trade organizations, laboratories, consumer advocacy groups, consultants, and members of the public in the development of this proposed standard, largely through the ASTM process. The rule incorporates by reference the most recent voluntary standard developed by ASTM International (formerly the American Society for Testing and Materials), ASTM F833–13b, ''Standard Consumer Safety Performance Specification for Carriages and Strollers'' (ASTM F833–13b), with a

modification to address head entrapment hazards associated with multi-positional/adjustable grab bars.

**B. Product Description**

The term ''durable infant or toddler product'' is defined in section 104(f)(1) of the CPSIA as a durable product intended for use, or that may be reasonably expected to be used, by children under the age of 5 years. ''Strollers'' are specifically identified in section 104(f)(2)(I) of the CPSIA as a durable infant or toddler product. ASTM F833–13b defines a ''stroller'' as a wheeled vehicle to transport children usually from infancy to 36 months of age. Children are transported generally in a sitting-up or semi-reclined position. The motive power is supplied by a person while pushing on a handle attached to the stroller. Carriages, on the other hand, are wheeled vehicles to transport an infant, usually in a lying down position. Thus, the principal difference between strollers and carriages is the position of the occupant. Both carriages and strollers may be capable of being folded for storage.

Umbrella strollers are lightweight, compact when folded, and may lack certain accessories, such as baskets underneath the seat, or cup holders for the caregiver. Strollers that fold in two dimensions, the height and length, are called ''2D'' strollers. Strollers that collapse in all three dimensions—height, length, and width—resulting in a smaller folded package than 2D strollers, are called ''3D'' strollers. Other types of strollers include travel systems that accommodate an infant car seat on a stroller. Strollers intended to be used at a jogging rate are called ''jogging strollers.'' Some products can be used as strollers and carriages (convertible carriages/strollers). Convertible carriages or strollers are intended to be converted by the owner to be used as a carriage or a stroller. Some strollers incorporate automatic or assisted folding and unfolding mechanisms. All of these carriages and strollers fall within the scope of ASTM F833–13b.

**C. Market Description**

The majority of carriages/strollers are produced and/or marketed by juvenile product manufacturers and distributors. Currently, there are 85 known suppliers of carriages/strollers to the U.S. market. Thirty-four are domestic manufacturers, 36 are domestic importers, and four are domestic firms with unknown supply sources. In addition, 10 foreign firms supply strollers to the U.S. market: Seven foreign manufacturers, one firm that imports products from foreign companies and distributes them from outside of the United States, one foreign retailer that ships directly to the United States, and one firm with an unknown supply source. There is an additional manufacturer whose size and location we could not determine.

According to a 2005 survey conducted by the American Baby Group (*2006 Baby Products Tracking Study*), nearly all new mothers (99 percent) own at least one stroller. Applying this information to Centers for Disease Control and Prevention (CDC) birth data indicates that nearly 4 million strollers are owned by new mothers. Approximately 26 percent of those strollers were handed down or purchased secondhand, according to the *2006 Baby Products Tracking Study.* Thus, about 74 percent of strollers were acquired new, and approximately 3 million strollers are sold to households annually ($.99 \times .74 \times 4$ million births per year). Strollers can cost between $20 to $700, depending upon the type and brand of stroller. On average, umbrella strollers tend to be the least expensive (around $25–$50 for the least costly versions); and most other strollers cost around $150–$300, with many carriages, travel systems, and jogging stroller costs running in the $500–$700 range.

**D. Incident Data**

The preamble to the NPR summarized the incident data reported to the Commission from January 1, 2008 through December 31, 2012, involving strollers. 78 FR 29281. In the NPR CPSC's Directorate for Epidemiology staff identified four stroller-related fatalities. In addition, 1,203 stroller-related nonfatal incidents, 359 of which resulted in injuries, were reported during that time period.

The hazard patterns identified in the NPR included issues with wheels, parking brakes, lock mechanisms, restraints, hinges, structural integrity, stability/tip-over, clearance, car seat attachment, canopies, handlebars, seats, sharp points or edges, trays, and unspecified or miscellaneous problems. Since the NPR, 90 new incidents related to carriages and strollers were reported to the Commission between January 1, 2013 and June 30, 2013; these incidents reportedly occurred between January 1, 2008 and June 30, 2013. There were no new fatal incidents reported. Out of the 90 new incidents, 32 stroller-related, nonfatal injuries were reported. Thus, the total number of incidents reported from January 1, 2008 through June 30, 2013, increased to 1,297 incidents, including 4 fatalities, and 391 injuries.

The hazard patterns identified among the 90 new incidents were similar to the ones identified in the NPR. Wheel problems accounted for 25 of the 90 new incidents, which resulted in six injuries. Lock mechanical failures resulted in 11 incidents, causing five injuries. Ten incidents, resulting in three injuries, arose from stability issues. Restraints were associated with two injuries and eight noninjury incidents.

Of the 90 new incidents, four incidents required hospitalization. Two incidents resulted in finger amputations, one that occurred when a child's finger got caught in the folding hinge; the second finger amputation occurred when a stroller collapsed. The third hospitalization involved a child unbuckling the restraints, attempting to leave the stroller, and getting caught on the extended rivet used to latch the folded stroller; this incident caused a laceration to the crotch area. The fourth hospitalization resulted from a stroller rolling off a train platform and falling onto the tracks with the child in the stroller, causing a cut on the child's forehead.

The NPR also noted 78 reported stroller incidents that involved children older than 4 years of age and adults. Out of the 78 incidents, 72 involved victims between 17 and 64 years of age. Almost all of the incidents (74 out of 78) resulted in injuries, mostly to the fingers. Six new incidents were reported from January 1, 2013 to June 30, 2013, for a total of 84 stroller incidents. Based on the narratives provided, all six new incidents involved children older than 4 years of age or adults, and the six incidents each resulted in finger injuries.

**E. Overview of ASTM F833**

ASTM first published a consumer product safety standard for carriages and strollers in 1983. ASTM F833, ''Standard Consumer Safety Performance Specification for Carriages and Strollers,'' established safety performance requirements, test methods, and labeling requirements to minimize the hazards to children presented by carriages and strollers. ASTM F833 has been revised more than 20 times. The current standard, ASTM F833–13b, was approved on November 1, 2013.

*1. Proposed Rule*

In the NPR, the Commission proposed to incorporate ASTM F833–13, which addressed many of the hazards patterns identified for strollers. Among other requirements, ASTM F833–13 provided:

- An improved test method for the parking brake requirement;
- a new requirement and test method to address head entrapment hazards

associated with car seats on a stroller (combination unit);

- a new requirement, test method, and warnings to address wheel and swivel assemblies' detachments;
- an improved test method for latching and locking mechanisms;
- a new requirement and test method to address the scenario of the child releasing the buckle of the restraint system and a clarification on the buckle closing system;
- a new requirement and test method to address pinching, shearing, and scissoring at the saddle hinge link on 3D fold strollers;
- a new requirement and test method to address pinching, shearing, and scissoring at the canopy hinges;
- an improved requirement and test method to address stability issues by taking into account multiple seats facing different directions, such as rotating seats;
- a new requirement and test method to address a strangulation hazard associated with cords and straps within the occupant space; and
- warning label clarifications.

In the NPR, the Commission also proposed a performance requirement and test method to address scissoring, shearing, and pinching hazards associated with 2D fold strollers, which were already required for 3D fold strollers. The Commission noted that hinge issues caused the highest injury rate of any stroller hazard category (75 incidents, resulting in 72 injuries). Most of the hinge-related injuries resulted from scissoring, pinching, or shearing at the hinge link of 2D and 3D fold strollers. Most of the incidents occurred when a caregiver was unfolding the stroller for use and the child was climbing into the stroller. Reported injuries involved pinched, lacerated, or amputated fingers or arms, including one hospitalization for reattachment of a finger. For testing of the 2D fold stroller and convertible carriage/strollers, the Commission proposed a test within an access zone based on the incident data and the anthropometric dimensions of a child occupant. The Commission also proposed a test method to test the frame folding action of a stroller while the stroller is moved from the completely folded to the completely erect position and from the partially folded position to the fully erect and locked position (travel distance calculation).

*2. Current ASTM Standard for Carriages and Strollers (ASTM F833–13b)*

ASTM adopted the performance requirement and test method proposed by the Commission in a subsequent version of the ASTM standard, ASTM F833–13a, to address scissoring, shearing, and pinching hazards associated with 2D fold strollers. ASTM approved ASTM F833–13a on September 15, 2013. On November 1, 2013, ASTM approved the current version of the standard, ASTM F833–13b, which adopts the performance requirement and test method for 2D fold strollers, with a modification to the travel distance calculation to test for scissoring, shearing, and pinching.

In this rule, the Commission incorporates by reference ASTM F833–13b because the Commission's proposed modifications in the NPR have been adopted in ASTM F833–13b, including the requirements and test methods for 2D fold strollers to address hazards associated with scissoring, shearing, and pinching. Specifically, ASTM F833–13b provides a definition of a ''2D fold stroller'' as a stroller that folds the handlebars and leg tubes only in the front-to-back (or back-to-front) direction. To address the 2D fold stroller hazards, ASTM F833–13b requires the frame folding action of a 2D fold stroller and convertible carriage/stroller to be designed and constructed to prevent injury from scissoring, shearing, or pinching. Scissoring, shearing, or pinching that may cause injury exists when the edges of the rigid parts admit a 0.210-in (5.33-mm) diameter probe but do not admit a 0.375-in (9.53-mm) diameter probe when tested. However, units with a removable seat that prevents the complete folding of unit when still attached are exempt from this requirement.

ASTM F833–13b also provides a test method for 2D frame strollers to address folding scissoring, shearing, and pinching. In the NPR, the Commission proposed a test method for scissoring, shearing, and pinching hazards that may occur while moving the stroller from a completely folded and partially folded position to the fully erect and locked position. The test proposed in the NPR calculated the travel distance based on the distance between front and rear wheels in an open position and in a closed position. ASTM F833–13b modified the travel distance calculation for the test. The modified test shows the travel distance based on the distance between front and rear wheels only in an open position. ASTM's rationale for the test explains that products are evaluated for the last 1/3 of travel for a predefined access zone because the last 1/3 of travel is considered the most hazardous condition, where a seated child's hand may be vulnerable to scissoring, shearing, and pinching within the access zone while the caregiver is preoccupied with the final stages of erecting the stroller.

CPSC staff compared both methods of the calculation, using various strollers, including strollers involved in incidents. Although in certain strollers the total amount of travel distance to be tested would be less than the travel distance proposed in the NPR, CPSC staff's review showed that the revised test method would be less burdensome and would provide an equal degree of safety as the travel distance calculation proposed in the NPR. According to CPSC staff, under the revised travel distance calculation, the most critical part of the frame folding associated with the incidents will be tested for scissoring, shearing, or pinching. Because the revised test is simpler to use, and because the reduction in travel distance does not make the test less effective, the Commission incorporates by reference ASTM F833–13b with the revised travel distance calculation.

**F. Response to Comments**

The Commission received six comments from manufacturers, consumer advocacy groups, and trade associations in response to the NPR. A summary of each comment topic and response is provided. In general, all of the commenters support the mandatory standard for carriages and strollers.

*1. 2D Fold Stroller Test*

Comment: One manufacturer recommended simplifying the test method that was included in the NPR, as outlined in section *7.18.2 for units where the front and rear wheels move toward each other during folding,* to address scissoring, shearing, and pinching hazards for 2D frame fold strollers. The commenter proposed determining the starting point for the stroller test by beginning at 2/3 the distance between the front and rear wheel axles in an open position of the stroller. The commenter stated that the ASTM subcommittee was working to include this starting point definition in the next revision and requested that the Commission review and adopt the change to the test method once the requirement is approved by the ASTM subcommittee.

Response: ASTM has revised the travel distance calculation in ASTM F833–13b. CPSC staff compared the travel distance calculation test proposed in the NPR and the modified test in ASTM F833–13b, using various strollers, including certain incident strollers. CPSC staff's review showed that the revised test is simpler, but the revised test will still test the most critical part of the frame folding

associated with the incidents. Accordingly, the Commission will adopt ASTM F833–13b with the revised travel distance calculation because the hazards identified by CPSC staff (scissoring, shearing, and pinching hazards in 2D fold strollers) will be addressed adequately by the test in ASTM F833–13b.

*2. 2D Fold Stroller Access Zone*

Comment: A commenter suggested an exemption to the 2D fold stroller test procedure, if there is a cover over the hinge that is within the access zone; for example, a stroller hinge that has a cover over the top and sides of the hinge, but the bottom is left open to allow the frame members to rotate during folding. The only way to access the hinge would be to come up from underneath or behind through the rear of the stroller, which would not be possible if a child is sitting in the stroller or standing on the side of the stroller. According to the commenter, the ASTM subcommittee is currently reviewing an additional requirement to assess at what point a covering on a hinge is sufficient protection from the 2D frame fold pinch hazard. The commenter requested that the Commission review and adopt the additional requirement once the additional requirement is approved by the ASTM subcommittee.

Response: As discussed in the preamble, ASTM 833–13b now addresses hazards associated with frame fold hinges for both 2D fold strollers and 3D fold strollers, regardless of the direction of entry, to reduce the risk of finger injury to a child who is sitting or is about to sit in a stroller. CPSC staff believes that there are many factors, including the size, shape, and material properties of the cover that may hinder the cover's effectiveness. Without more information about protective covers and how they would be used, the Commission will not provide an exemption for such covers without further review and testing. However, if ASTM subsequently publishes a standard to include a protective cover exemption, ASTM can notify the Commission of the revision, and the Commission would consider the revision at that time.

*3. Combined Braking and Stability Test*

Comment: A commenter suggested that the Commission adopt the combined braking and stability test that Consumer Reports uses in its testing. The commenter stated that the test evaluates both brake efficacy and stability in various orientations on an incline of 20°—as opposed to 12°. In addition, the commenter states that the brake standard should assess how easy it is to engage the brake, and reliably tell if the brake is engaged.

Response: The parking brake requirements were improved significantly in the ASTM F833–13 version of the standard to approximate the force that is applied to the parking brake, if the 12° inclined plane was increased to 20°. ASTM F833–13 also included an improved requirement and test method for multiple seats facing different directions, such as rotating seats, to address stability issues. These requirements are included in ASTM F833–13b. Therefore, the Commission finds that the requirements in ASTM F833–13b are adequate to address the hazards associated with parking brakes and stability issues and do not require additional requirements at this time.

*4. Irregular Surface Test*

Comment: Two commenters suggested that the Commission adopt the Irregular Surface Test in EN 1888:2012. The commenters stated that the irregular surface test is a durability test that evaluates the strollers for the expected lifetime of the product.

Response: ASTM F833–13 included improved parking brake, stability, wheel detachment, and locking mechanism requirements that address the hazards associated with the structural issues identified in the incident data. These requirements are included in ASTM F833–13b. CPSC staff's review of fatigue tests, such as the irregular surface test, indicates that such tests are time-consuming (and costly) and that tests with lower repetitions and higher weights/forces yield substantially similar results. Accordingly, the Commission will not require the irregular surface test at this time.

*5. Passive Containment/Clearance*

Comment: One commenter recommended that the standard's passive containment/foot opening test method be augmented with a requirement that any adjustable part, such as an adjustable grab bar or a car seat adapter that remains in the stroller, be tested in all possible use positions.

Response: The Commission agrees that the test for passive containment/foot opening should be improved. An adjustable (or multi-positional) grab bar can adjust to suit the height of the child to increase comfort while holding the bar. However, adjustable grab bars may be left in an unsafe position, resulting in a potentially fatal head entrapment between the grab bar and the seat because the consumer may have difficulty discerning visually the difference between certain positions of the grab bar, such as the car seat position and the occupant-use position. CPSC staff is aware of earlier model year strollers that had adjustable grab bars, as described by the commenter. Of the four stroller-related fatalities from January 1, 2008 through December 31, 2012, one incident involved a 5-month-old infant whose head became entrapped between the seat and tray. Therefore, the Commission believes that the opening between the seat and the tray or the seat and grab bar could lead to a potentially fatal head entrapment hazard.

Currently, the test method for passive containment/foot opening in ASTM F833–13b provides under 7.12 Passive Containment/Foot Opening Test Method the following steps: Secure the front wheels of the unit in their normal standing position so that the unit cannot move forward. Attach the tray(s) or grab bar(s) in the position that creates the bounded opening(s). Per the manufacturer's instructions, position any adjustable features (that is, calf supports, foot rests, etc.) that may affect the bounded opening(s) to create the minimum opening(s) size.

If the head probe fails to pass completely through the bounded opening, the following steps are required: If necessary, reattach/reposition tray(s) grab bar(s) to the manufacturer's recommended use position, then perform the torso probe test per 7.12.4. Per the manufacturer's instructions, position any adjustable features (that is, calf supports, foot rests, etc.) that may affect the bounded opening(s), to create the maximum opening(s) size.

To prevent head entrapment hazards, the current test under ASTM F833–13b requires the trays or grab bar to be in the manufacturer-recommended use position. This requirement specifies a minimum opening created by the grab bar or tray and foot rest. However, this test may not always capture a hazardous head entrapment opening between an adjustable grab bar and seat that could occur if the grab bar were improperly positioned. For example, a hazardous opening that is larger than the minimum opening may be created by the grab bar and foot rest configuration.

Accordingly, the Commission revises the test method for passive containment/foot opening as follows: Secure the front wheels of the unit in their normal standing position so that the unit cannot move forward. Attach the tray(s) or grab bar(s) in the position that creates the bounded opening(s). Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s)

to create an opening(s) size that is most likely to cause failure.

If the head probe fails to pass completely through the bounded opening, the following steps are required: If necessary, reattach/reposition tray(s) grab bar(s), then perform the torso probe test per 7.12.4. Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s), to create the opening(s) size that is most likely to cause failure.

The revised wording: ''most likely to cause failure'' requires the tester to place the adjustable feature, such as a grab bar, if possible, in a position that creates a hazardous opening, thereby causing the stroller to fail, irrespective of the manufacturer's instructions or the manufacturer's use position. The test is based on an evaluation of the bounded opening(s) that is/are most likely to create an entrapment hazard and should address the potential for entrapment hazards for multi-positional or adjustable grab bars in strollers.

The commenter also recommended that a car seat adapter that can remain in the stroller be tested for head entrapment. Currently, the Commission is not aware of a car seat adapter that is intended to remain installed in the stroller when the car seat is not used; and the Commission does not have any additional information or data to recommend additional requirements for car seat adapters at this time. However, this issue may be raised in an ASTM subcommittee meeting for further review and discussion.

*6. Effective Date*

Comment: Several comments addressed the effective date of the proposed rule. One commenter supported the proposed 18-month effective date. A second commenter asked the Commission to take a careful look at how much time is needed to bring carriages and strollers into compliance and to make the new rule effective on the earliest practicable date. A third commenter suggested a 12-month effective date. The commenter stated that, given the extended length of time that it took for both the voluntary standard and the proposed rule to reach this point, consumers should not have to wait until late 2015 to see products that meet the standard.

Response: In the NPR, the Commission noted that there were significant revisions to the ASTM standard in ASTM F833–13 requiring many modifications to carriages and strollers. Due to the complexity of stroller designs, and to allow time for manufacturers to come into compliance, the Commission proposed an 18-month effective date. The new performance requirements and test methods adopted in ASTM 833–13 and ASTM 833–13b are extensive and require manufacturers to make fundamental changes to carriages and strollers (*i.e.,* latching mechanism, parking brakes, static load, restraining system, passive containment/foot openings, wheel and swivel assemblies, hinges, and stability/tip over.) Although these requirements were approved in ASTM 833–13 in April, 2013, after the NPR was published, ASTM revised the standard, ASTM 833–13b, on November 1, 2013, to address the scissoring, shearing, and pinching hazards in 2D fold strollers. Now, in the final rule, the Commission requires an additional modification to address head entrapment issues. All of these requirements warrant additional time to allow manufacturers to come into full compliance with the mandatory standard. The Commission believes that 18 months is a reasonable amount of time for manufacturers who will need to redesign products, test new prototype products, and then retool their production processes to meet the considerable modifications that were made in ASTM F833–13 and ASTM F833–13b, plus the additional modification to the passive containment/foot opening test method in the final rule. Moreover, 18 months will reduce the impact on the firms that have product lines that largely or exclusively focus on strollers and stroller accessories. A longer effective date reduces the impact on firms in two ways. First, firms are less likely to experience a lapse in production, which could result if they are unable to comply within the required timeframe. Second, firms could spread costs over a longer time period. For these reasons, the standard for carriages and strollers will become effective 18 months after publication of the final rule.

*7. Effective Date Marking*

Comment: Two commenters stated that products that are manufactured after the effective date of the rule should be marked clearly so that consumers can easily identify products that meet the mandatory standard.

Response: A code mark or other means that identifies the date (month and year at a minimum) of manufacture is already required to be on the product under ASTM F833–13b. In addition, a final rule implementing sections 14(a)(2) and 14(i)(2) of the Consumer Product Safety Act (CPSA), as amended by the CPSIA, *Testing and Labeling Pertaining to Product Certification,* 16 CFR part 1107 (the 1107 rule), became effective on February 13, 2013. Under the 1107 rule, a manufacturer or importer may voluntarily label a certified compliant product: ''Meets CPSC Safety Requirements.'' At this time, the Commission will not require additional markings because ASTM F833–13b already requires the date of manufacture on each product and retail package, and producers may label compliant products as such under the 1107 rule.

*8. Restraining System/Harness*

Comment: One commenter suggested that the Commission require a five-point harness for all strollers and carriages for improved protection to ensure that the child does not move into an unsafe position on his own or due to the stroller being jarred. This commenter also suggested that the Commission look for feasible means of requiring an alert mechanism to indicate whether the harness restraint system is secured properly.

Response: Although a five-point harness system may provide extra protection if a stroller tips over, CPSC staff's review of incident data did not demonstrate that such a system would result in a significant improvement in occupant safety beyond a three-point harness. Moreover, the recent changes to prevent stroller tip over that have been added to ASTM F833–13 and adopted in ASTM F833–13b, such as the new wheel-detachment requirements, should mitigate the likelihood of tip-over incidents. Accordingly, at this time, the Commission will not require a five-point harness in the standard. In addition, the Commission has insufficient information regarding whether an alert mechanism could be implemented without significantly raising the cost of a stroller, or whether such a system would be effective in reducing incidents involving restraints. However, this issue may be raised for further review and discussion in an ASTM subcommittee meeting.

*9. Warnings*

Comment: To emphasize the risk of entrapment or suffocation to children falling asleep in strollers and other infant products not intended for overnight sleep (but where children often fall asleep), one commenter recommended changing the wording in section 8.2.2 of the standard, which currently states: ''Do not leave child unattended'' to state instead: ''Children have become entrapped or suffocated while sleeping in strollers. Never leave a sleeping child unattended. Move to a crib or safe sleep surface.''

Response: The current wording advises the caregiver to attend to the child whether or not he/she is sleeping, thus providing a more generic warning. In most of the incidents where children were reportedly sleeping, the caregiver was also present. CPSC staff's review of the incident data shows that in one of the fatal incidents, a child was left sleeping in the stroller and was later found entrapped between the seat and tray. In another fatal incident, a child was left sleeping in the infant carrier that was attached to the stroller and found entrapped between the stroller handlebar and foot end of the car seat. The Commission reiterates that children should not be left unattended whether they are sleeping or not. However, the Commission believes that products in which children often fall asleep, such as strollers and hand-held carriers, could benefit from a harmonized and well-designed warning label on the product to educate consumers to take proper action. Accordingly, the Commission would support CPSC staff's participation in a cross-product ad hoc working group; and should the need arise, the Commission will consider future action, once such a warning label is developed.

Comment: Another commenter recommended changing the current wording in section 8.2.2 of ASTM F833–13 from: ''The product shall have the following warning statements . . .'' to: ''The product shall have the following warning statements that address . . .'' to provide additional flexibility for manufacturers to alter warnings.

Response: The warning statements in sections 8.2.2.2, 8.2.2.3, and 8.2.2.4 already include a provision for manufacturers to insert their own words to describe their restraint system or product-specific instructions. The suggestion would only affect section 8.2.2.1, which includes the warning statement: ''Never leave child unattended.'' The commenter stated that a simple change in wording to: ''Never leave your child unattended'' would not be allowed under 8.2.2. The Commission does not believe that a change to the warnings is warranted, given that the requested word changes would not necessarily increase the effectiveness of the warning. However, this issue may be raised for further review and discussion in a future ASTM subcommittee meeting.

**G. Final Rule**

The CPSC is incorporating by reference ASTM F833–13b because the Commission's proposed modifications in the NPR have been adopted in ASTM F833–13b, including requirements and test methods to address scissoring, shearing, and pinching hazards associated with 2D fold strollers. However, the Commission is requiring an additional modification to the passive containment/foot opening test method in ASTM F833–13b, to address head entrapment hazards associated with multi-positional/adjustable grab bars. Specifically, the test method for passive containment/foot opening is revised as follows:

(a) 7.12.1 Secure the front wheels of the unit in their normal standing position so that the unit cannot move forward. Attach the tray(s) or grab bar(s) in the position that creates the bounded opening(s). Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s) to create an opening(s) size that is most likely to cause failure; and

(b) 7.12.3 If necessary, reattach/reposition tray(s) grab bar(s), then perform the torso probe test per 7.12.4. Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s), to create the opening(s) size that is most likely to cause failure.

**H. Effective Date**

The Administrative Procedure Act (APA) generally requires that the effective date of the rule be at least 30 days after publication of the final rule. 5 U.S.C. 553(d). The safety standard for carriages and strollers will become effective 18 months after publication of a final rule in the **Federal Register**.

**I. Regulatory Flexibility Act**

*1. Introduction*

The Regulatory Flexibility Act (RFA), 5 U.S.C. 601–612, requires agencies to consider the impact of proposed and final rules on small entities, including small businesses. Section 604 of the RFA requires that the Commission prepare a final regulatory flexibility analysis when promulgating final rules, unless the head of the agency certifies that the rule will not have a significant impact on a substantial number of small entities. The final regulatory flexibility analysis must describe the impact of the proposed rule on small entities and identify any alternatives that may reduce the impact. Specifically, the final regulatory flexibility analysis must contain:

- A succinct statement of the objectives of, and legal basis for, the rule;
- a summary of the significant issues raised by public comments in response to the initial regulatory flexibility analysis, a summary of the assessment of the agency of such issues, and a statement of any changes made in the proposed rule as a result of such comments;
- a description of, and, where feasible, an estimate of, the number of small entities to which the rule will apply;
- a description of the projected reporting, recordkeeping, and other compliance requirements of the rule, including an estimate of the classes of small entities subject to the requirements and the type of professional skills necessary for the preparation of reports or records; and
- a description of the steps the agency has taken to reduce the significant economic impact on small entities, consistent with the stated objectives of applicable statutes, including a statement of the factual, policy, and legal reasons for selecting the alternative adopted in the rule, and why each one of the other significant alternatives to the rule considered by the agency, which affect the impact on small entities, was rejected.

*2. Reason for Agency Action*

The Danny Keysar Child Product Safety Notification Act, section 104 of the CPSIA, requires the CPSC to promulgate mandatory standards that are substantially the same as, or more stringent than, the voluntary standard for a durable infant or toddler product. CPSC staff worked closely with ASTM stakeholders to develop the new requirements and test procedures that have been incorporated into ASTM F833–13b, which together form the basis for the mandatory standard.

*3. Other Federal Rules*

There are two federal rules that would impact the stroller mandatory standard: (1) Testing and Labeling Pertaining to Product Certification (16 CFR part 1107); and (2) Requirements Pertaining to Third Party Conformity Assessment Bodies (16 CFR part 1112).

The testing and labeling rule (16 CFR part 1107) requires that manufacturers of children's products subject to product safety rules, certify, based on third party testing, that their children's products comply with all applicable safety rules. Because strollers will be subject to a mandatory rule, they will also be subject to the third party testing requirements when the stroller rule becomes effective.

In addition, the 1107 rule requires the third party testing of children's products to be conducted by CPSC-accredited laboratories. Section 14(a)(2) of the Consumer Product Safety Act (CPSA) requires the Commission to publish a

notice of requirements (NOR) for the accreditation of third party conformity assessment bodies (*i.e.,* testing laboratories) to test for conformance with each children's product safety rule. These NORs are set forth in 16 CFR part 1112.

*4. Impact on Small Business*

There are approximately 85 firms that currently supply carriages/strollers in the United States. Under U.S. Small Business Administration (SBA) guidelines, a manufacturer of strollers is considered small if the manufacturer has 500 or fewer employees, and importers and wholesalers are considered small if they have 100 or fewer employees. Based on these guidelines, about 55 are small firms—26 domestic manufacturers, 26 domestic importers, and three firms with unknown supply sources. There may be additional unknown small stroller suppliers operating in the U.S. market.

Small Manufacturers

The expected impact of the final rule will differ based on whether a firm's strollers are already compliant with ASTM F833–11, the voluntary standard in effect prior to ASTM F833–13. In general, firms whose strollers meet the requirements of ASTM F833–11 are likely to continue to comply with the voluntary standard as new versions are published. Many of these firms are active in the ASTM standard development process, and compliance with the voluntary standard is part of an established business practice. Firms supplying strollers that comply with ASTM F833–11 likely would also comply with F833–13b before the final rule becomes effective.

ASTM F833–13b requirements could require product redesign for at least some strollers that are not compliant with ASTM F833–11 (eight of 26 small domestic manufacturers). Most of the redesign and retooling costs are associated with meeting the requirements of the standard. A redesign would be minor if most of the changes involve adding straps and fasteners or using different mesh or fabric. However, a redesign could be more significant if changes to the frame are required. Due to the complexity of carriages and strollers, a complete redesign of these products, including engineering time, prototype development, tooling, and other incidental costs, could exceed $1 million for the most complex stroller models. Industry sources, including the Juvenile Products Manufacturers Association (JPMA) note that new tooling alone could exceed $300,000 per product model. However, costs and development time are likely to vary widely across firms. Companies with substantial experience in manufacturing strollers should be able to complete redesigns more cost effectively than firms with less experience. Additionally, firms with numerous stroller models may experience lower costs because stroller models could be redesigned as a group.

The modification to the passive containment/foot opening test method may or may not have any impact on small manufacturers because CPSC staff could not identify any strollers on the U.S. market that have adjustable grab bars. Therefore, the direct impact on manufacturers whose products are expected to meet the requirements of ASTM F833–13b (18 of 26 small domestic manufacturers) is not expected to be significant, although it is possible that there are unknown stroller suppliers with products that might be affected.

The 18-month effective date may mitigate the impact on small manufacturers because such firms are less likely to experience a lapse in production, which could result if these firms are unable to comply within the required timeframe, and costs may be spread over a longer period.

In addition, there are indirect impacts. Once the new requirements become effective, all manufacturers will be subject to the additional costs associated with third party testing and certification requirements triggered by the final rule. Those additional third party testing costs will pertain to any physical and mechanical test requirements specified in the stroller final rule; lead and phthalates testing is already required. Third party testing costs could as much as $800–$1,000 per model sample.

On average, each small domestic manufacturer supplies seven different models of strollers to the U.S. market annually. Therefore, if third party testing were conducted every year on a single sample for each model, third party testing costs for each manufacturer would be about $5,600–$7,000 annually. Based on a review of firm revenues, the impact of third party testing to ASTM F833–13b is unlikely to be significant if only one stroller sample per model is required. However, the economic impact could be significant for some small firms, if as few as two or three samples per model are required to meet the testing requirements.

Small Importers

In the absence of regulation, small importers of strollers currently in compliance with F833–11 (13 of 26 small domestic importers) would likely continue to comply with the standard as it evolves, including the final mandatory standard. Any increase in production costs experienced by their suppliers may be passed on to them. However, these costs are not likely to be significant, given that CPSC staff could not identify any strollers on the U.S. market that have adjustable grab bars requiring modification.

Small importers of strollers would need to find an alternate source if their existing supplier does not come into compliance with the requirements of ASTM F833–13b. Thirteen importers of strollers currently may not be in compliance with ASTM F833–11. Some importers may discontinue the carriage/stroller product line altogether. The impact of such a decision could be mitigated by replacing the noncompliant stroller with a compliant stroller or by deciding to import an alternative product. However, some of these firms have few or no other products in their product line. Because many of these firms have low sales revenues and limited product lines apart from strollers and stroller accessories, it is possible that the final rule could have a significant impact on one or more importers. The 18-month effective date may mitigate the impact because such firms are less likely to experience a lapse in obtaining compliant strollers, which could result if they are unable to comply within the required timeframe; and costs may be spread over a longer time period.

All importers are also subject to third party testing and certification requirements. Consequently, importers will experience costs similar to those for manufacturers, if their supplying foreign firm(s) does not perform third party testing. The resulting costs could have a significant impact on a few small importers who must perform the testing themselves, even if only one sample per model were required.

*5. Alternatives*

One alternative that could reduce the impact on small entities would be to make the voluntary standard mandatory, with no further modifications. However, given that CPSC staff could not identify any strollers on the U.S. market that currently would be impacted by the modification to the passive containment/foot opening test method, this reduction may be insignificant. In addition, incorporating the voluntary standard without modifications would not substantially benefit firms with noncompliant products because their strollers might still require redesign.

The 18-month effective date may mitigate the impact because suppliers will have additional time to modify and/or develop compliant strollers and spread the associated costs over a longer period of time. However, the Commission could opt to set a later effective date, which may reduce further the impact on affected firms. A third alternative would be to set an earlier effective date. However, setting an earlier effective date could increase the impact of the rule on small entities, particularly those with limited product lines and low sales revenues.

**J. Environmental Considerations**

The Commission's regulations address whether we are required to prepare an environmental assessment or an environmental impact statement. These regulations provide a categorical exclusion for certain CPSC actions that normally have ''little or no potential for affecting the human environment.'' Among those actions are rules or safety standards for consumer products. 16 CFR 1021.5(c)(1). The rule falls within the categorical exclusion.

**K. Paperwork Reduction Act**

This rule contains information collection requirements that are subject to public comment and review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521). The preamble to the proposed rule (77 FR 29286) discussed the information collection burden of the proposed rule and specifically requested comments on the accuracy of our estimates. Sections 8 and 9 of ASTM F833–13b contain requirements for marking, labeling, and instructional literature. These requirements fall within the definition of ''collection of information,'' as defined in 44 U.S.C. 3502(3).

OMB has assigned control number 3041–0164 to this information collection. The Commission did not receive any comments regarding the information collection burden of this proposal. However, the final rule makes modifications regarding the information collection burden because the number of estimated manufacturers subject to the information collection burden is now estimated at 85 manufacturers rather than the 86 manufacturers initially estimated in the proposed rule due to firms entering and exiting the U.S. stroller market. Additionally, the average number of stroller models supplied by all of the firms has increased from six to eight models.

Accordingly, the estimated burden of this collection of information is modified, as follows:

TABLE 1—ESTIMATED ANNUAL REPORTING BURDEN

| 16 CFR Section | Number of respondents | Frequency of responses | Total annual responses | Hours per response | Total burden hours |
|---|---|---|---|---|---|
| 1227 | 85 | 8 | 680 | 1 | 680 |

**L. Preemption**

Section 26(a) of the CPSA, 15 U.S.C. 2075(a), provides that where a consumer product safety standard is in effect and applies to a product, no state or political subdivision of a state may either establish or continue in effect a requirement dealing with the same risk of injury unless the state requirement is identical to the federal standard. Section 26(c) of the CPSA also provides that states or political subdivisions of states may apply to the Commission for an exemption from this preemption under certain circumstances. Section 104(b) of the CPSIA refers to the rules to be issued under that section as ''consumer product safety rules,'' thus, implying that the preemptive effect of section 26(a) of the CPSA would apply. Therefore, a rule issued under section 104 of the CPSIA will invoke the preemptive effect of section 26(a) of the CPSA when it becomes effective.

**M. Certification and Notice of Requirements (NOR)**

Section 14(a) of the CPSA imposes the requirement that products subject to a consumer product safety rule under the CPSA, or to a similar rule, ban, standard or regulation under any other Act enforced by the Commission, must be certified as complying with all applicable CPSC-enforced requirements. 15 U.S.C. 2063(a). Section 14(a)(2) of the CPSA requires that certification of children's products subject to a children's product safety rule be based on testing conducted by a CPSC-accepted third party conformity assessment body. Section 14(a)(3) of the CPSA requires the Commission to publish a NOR for the accreditation of third party conformity assessment bodies (or laboratories) to assess conformity with a children's product safety rule to which a children's product is subject. The ''Safety Standard for Carriages and Strollers,'' to be codified at 16 CFR part 1227, is a children's product safety rule that requires the issuance of an NOR.

The Commission published a final rule, *Requirements Pertaining to Third Party Conformity Assessment Bodies,* 78 FR 15836 (March 12, 2013), which is codified at 16 CFR part 1112 (referred to here as part 1112). This rule became effective on June 10, 2013. Part 1112 establishes requirements for accreditation of third party conformity assessment bodies (or laboratories) to test for conformance with a children's product safety rule in accordance with Section 14(a)(2) of the CPSA. Part 1112 also codifies a list of all of the NORs that the CPSC had published at the time part 1112 was issued. All NORs issued after the Commission published part 1112, such as the standard for carriages and strollers, require the Commission to amend part 1112. Accordingly, this rule amends part 1112 to include the standard for carriages and strollers in the list with the other children's product safety rules for which the CPSC has issued NORs.

Laboratories applying for acceptance as a CPSC-accepted third party conformity assessment body to test to the new standard for carriages and strollers would be required to meet the third party conformity assessment body accreditation requirements in 16 CFR part 1112, *Requirements Pertaining to Third Party Conformity Assessment Bodies.* When a laboratory meets the requirements as a CPSC-accepted third party conformity assessment body, the laboratory can apply to the CPSC to have 16 CFR part 1227, *Safety Standard for Carriages and Strollers,* included in its scope of accreditation of CPSC safety rules listed for the laboratory on the CPSC Web site at: *www.cpsc.gov/labsearch.*

CPSC staff conducted an analysis of the potential impacts on small entities of the proposed rule establishing accreditation requirements, as required by the Regulatory Flexibility Act, and the agency prepared an Initial Regulatory Flexibility Analysis (IRFA). *Requirements Pertaining to Third Party Conformity Assessment Bodies.* 77 FR 31086, 31123–26. Specifically, the NOR for the standard for carriages and strollers would not have a significant adverse impact on small laboratories.

Based upon the number of laboratories in the United States that have applied for CPSC acceptance of the accreditation to test for conformance to other juvenile product standards, we expect that only a few laboratories will seek CPSC acceptance of their accreditation to test for conformance with the standard for carriages and strollers. Most of these laboratories already will have been accredited to test for conformance to other juvenile product standards, and the only cost to them would be the cost of adding the standard for carriages and strollers to their scope of accreditation. As a consequence, the Commission certifies that the NOR for the standard for carriages and strollers will not have a significant impact on a substantial number of small entities.

**List of Subjects**

*16 CFR Part 1112*

Administrative practice and procedure, Audit, Consumer protection, Reporting and recordkeeping requirements, Third party conformity assessment body.

*16 CFR Part 1227*

Consumer protection, Imports, Incorporation by reference, Infants and children, Labeling, Law enforcement, and Toys.

For the reasons discussed in the preamble, the Commission amends Title 16 of the Code of Federal Regulations as follows:

## PART 1112—REQUIREMENTS PERTAINING TO THIRD PARTY CONFORMITY ASSESSMENT BODIES

■ 1. The authority citation for part 1112 continues to read as follows:

**Authority:** 15 U.S.C. 2063; Pub. L. 110–314, section 3, 122 Stat. 3016, 3017 (2008).

■ 2. Amend § 1112.15 by adding paragraph (b)(36) to read as follows:

**§ 1112.15 When can a third party conformity assessment body apply for CPSC acceptance for a particular CPSC rule and/or test method?**

* * * * *

(b)(36) 16 CFR part 1227, Safety Standard for Carriages and Strollers.

* * * * *

■ 3. Add part 1227 to read as follows:

## PART 1227—SAFETY STANDARD FOR CARRIAGES AND STROLLERS

Sec.

1227.1 Scope.
1227.2 Requirements for carriages and strollers.

**Authority:** The Consumer Product Safety Improvement Act of 2008, Pub. L. 110–314, § 104, 122 Stat. 3016 (August 14, 2008); Pub. L. 112–28, 125 Stat. 273 (August 12, 2011).

**§ 1227.1 Scope.**

This part establishes a consumer product safety standard for carriages and strollers.

**§ 1227.2 Requirements for carriages and strollers.**

(a) Except as provided in paragraph (b) of this section, each carriage and stroller must comply with all applicable provisions of ASTM F833–13b, *Standard Consumer Safety Performance Specification for Carriages and Strollers,* approved on November 1, 2013. The Director of the Federal Register approves this incorporation by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. You may obtain a copy from ASTM International, 100 Bar Harbor Drive, P.O. Box 0700, West Conshohocken, PA 19428; *http://www.astm.org/cpsc.htm.* You may inspect a copy at the Office of the Secretary, U.S. Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814, telephone 301–504–7923, or 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.*

(b) Comply with ASTM F833–13b standard with the following changes:

(1) Instead of complying with section 7.12.1 of ASTM F833–13b, comply with the following:

(i) 7.12.1 Secure the front wheels of the unit in their normal standing position so that the unit cannot move forward. Attach the tray(s) or grab bar(s) in the position that creates the bounded opening(s). Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s) to create an opening(s) size that is most likely to cause failure.

(ii) [Reserved]

(2) Instead of complying with section 7.12.3 of ASTM F833–13b, comply with the following:

(i) 7.12.3 If necessary, reattach/reposition tray(s) grab bar(s), then perform the torso probe test per 7.12.4. Position any adjustable features (that is, grab bar, calf supports, foot rests, etc.) that may affect the bounded opening(s), to create the opening(s) size that is most likely to cause failure.

(ii) [Reserved]

Dated: March 5, 2014.

**Todd A. Stevenson,**

*Secretary, Consumer Product Safety Commission.*

[FR Doc. 2014–05065 Filed 3–7–14; 8:45 am]

**BILLING CODE 6355–01–P**

## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 232

**[Release Nos. 33–9554; 34–71643; 39–2496; IC–30972]**

### Adoption of Updated EDGAR Filer Manual

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule.

**SUMMARY:** The Securities and Exchange Commission (the Commission) is adopting revisions to the Electronic Data Gathering, Analysis, and Retrieval System (EDGAR) Filer Manual and related rules to reflect updates to the EDGAR system. The revisions are being made primarily to introduce new submission form types MA, MA–A, MA/A, MA–I, MA–I/A, and MA–W to support Registration of Municipal Advisors; updates to submission form types 8–K, 8–K/A, 10–K, 10–K/A, 10–KT, 10–KT/A, 10–D, 10–D/A, POS AM, 424B1, 424B2, 424B3, 424B4, 424B5, 424B7, and 424B8; and minor updates to Form 13F validations. The EDGAR system is scheduled to be upgraded to support this functionality on March 3, 2014.

**DATES:** *Effective Date:* March 10, 2014. The incorporation by reference of the EDGAR Filer Manual is approved by the Director of the Federal Register as of March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** In the Office of Municipal Securities, for questions concerning Registration of Municipal Advisors contact Jessica Kane at (202) 551–3235; in the Division of Investment Management, for questions concerning Form 13F contact Heather Fernandez at (202) 551–6715; and in the Office of Information Technology, contact Vanessa Anderson at (202) 551–8800.

**SUPPLEMENTARY INFORMATION:** We are adopting an updated EDGAR Filer Manual, Volume I and Volume II. The Filer Manual describes the technical formatting requirements for the preparation and submission of electronic filings through the EDGAR system.[1] It also describes the

[1] We originally adopted the Filer Manual on April 1, 1993, with an effective date of April 26, 1993.

requirements for filing using EDGARLink Online and the Online Forms/XML Web site.

The revisions to the Filer Manual reflect changes within Volume I entitled EDGAR Filer Manual, Volume I: ''General Information,'' Version 16 (March 2014) and Volume II entitled EDGAR Filer Manual, Volume II: ''EDGAR Filing,'' Version 26 (March 2014). The updated manual will be incorporated by reference into the Code of Federal Regulations.

The Filer Manual contains all the technical specifications for filers to submit filings using the EDGAR system. Filers must comply with the applicable provisions of the Filer Manual in order to assure the timely acceptance and processing of filings made in electronic format.[2] Filers may consult the Filer Manual in conjunction with our rules governing mandated electronic filing when preparing documents for electronic submission.[3]

The EDGAR system will be upgraded to Release 14.0 on March 3, 2014 and will introduce the following changes: EDGAR will be updated to add new submission form types MA, MA–A, MA/A, MA–I, MA–I/A, and MA–W on the EDGAR Filing Web site. These submission form types can be accessed by selecting the 'File Municipal Advisor Forms' link available on the EDGAR Filing Web site. Instructions to file the Municipal Advisor Forms are included in two new sections of Chapter 9 (Preparing and Transmitting Online Submissions) of the ''EDGAR Filer Manual, Volume II: EDGAR Filing'' to guide filers through the filing process. See Release No. 34–70462 [4] for the compliance dates.

Submission form types 8–K, 8–K/A, 10–K, 10–K/A, 10–KT, 10–KT/A, 10–D, 10–D/A, POS AM, 424B1, 424B2, 424B3, 424B4, 424B5, 424B7, and 424B8 will be updated to collect Depositor CIK, Sponsor CIK, ABS Asset Class, and ABS Sub Asset Class information for filings where the primary registrant CIK is designated as an Asset-Backed Securities issuing entity (i.e., entities assigned the Standard Industrial Classification Code 6189).

Submission form types 13F–HR/A will be updated to allow a future date for the ''Date denied or on which confidential treatment expired'' field.

For EDGARLink Online application, recommended version for Firefox browser is being changed from 3.5 to 17.0 or higher. For all EDGAR Web sites, Microsoft Internet Explorer 7.0 or later is the recommended browser. Additionally, minor documentation only corrections were made to the Chapter 6, Interactive Data, sections 6.5.20 and 6.6.29.

Along with the adoption of the Filer Manual, we are amending Rule 301 of Regulation S–T to provide for the incorporation by reference into the Code of Federal Regulations of today's revisions. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51.

You may obtain paper copies of the updated Filer Manual at the following address: Public Reference Room, U.S. Securities and Exchange Commission, 100 F Street NE., Room 1543, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. We will post electronic format copies on the Commission's Web site; the address for the Filer Manual is *http://www.sec.gov/info/edgar.shtml*.

Since the Filer Manual and the corresponding rule changes relate solely to agency procedures or practice, publication for notice and comment is not required under the Administrative Procedure Act (APA).[5] It follows that the requirements of the Regulatory Flexibility Act [6] do not apply.

The effective date for the updated Filer Manual and the rule amendments is March 10, 2014. In accordance with the APA,[7] we find that there is good cause to establish an effective date less than 30 days after publication of these rules. The EDGAR system upgrade to Release 14.0 is scheduled to become available on March 3, 2014. The Commission believes that establishing an effective date less than 30 days after publication of these rules is necessary to coordinate the effectiveness of the updated Filer Manual with the system upgrade.

**Statutory Basis**

We are adopting the amendments to Regulation S–T under Sections 6, 7, 8, 10, and 19(a) of the Securities Act of 1933,[8] Sections 3, 12, 13, 14, 15, 23, and 35A of the Securities Exchange Act of 1934,[9] Section 319 of the Trust Indenture Act of 1939,[10] and Sections 8, 30, 31, and 38 of the Investment Company Act of 1940.[11]

**List of Subjects in 17 CFR Part 232**

Incorporation by reference, Reporting and recordkeeping requirements, Securities.

**Text of the Amendment**

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is amended as follows:

## PART 232—REGULATION S–T—GENERAL RULES AND REGULATIONS FOR ELECTRONIC FILINGS

■ 1. The authority citation for Part 232 continues to read in part as follows:

**Authority:** 15 U.S.C. 77f, 77g, 77h, 77j, 77s(a), 77z–3, 77sss(a), 78c(b), 78*l,* 78m, 78n, 78o(d), 78w(a), 78*ll,* 80a–6(c), 80a–8, 80a–29, 80a–30, 80a–37, and 7201 *et seq.;* and 18 U.S.C. 1350.

* * * * *

■ 2. Section 232.301 is revised to read as follows:

**§ 232.301 EDGAR Filer Manual.**

Filers must prepare electronic filings in the manner prescribed by the EDGAR Filer Manual, promulgated by the Commission, which sets out the technical formatting requirements for electronic submissions. The requirements for becoming an EDGAR Filer and updating company data are set forth in the updated EDGAR Filer Manual, Volume I: ''General Information,'' Version 16 (March 2014). The requirements for filing on EDGAR are set forth in the updated EDGAR Filer Manual, Volume II: ''EDGAR Filing,'' Version 26 (March 2014). Additional provisions applicable to Form N–SAR filers are set forth in the EDGAR Filer Manual, Volume III: ''N–SAR Supplement,'' Version 2 (August 2011). All of these provisions have been incorporated by reference into the Code of Federal Regulations, which action was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. You must comply with these requirements in order for documents to be timely received and accepted. You can obtain paper copies of the EDGAR Filer Manual from the following address: Public Reference Room, U.S. Securities and Exchange Commission, 100 F Street NE., Room 1543, Washington, DC

Release No. 33–6986 (April 1, 1993) [58 FR 18638]. We implemented the most recent update to the Filer Manual on September 25, 2013. *See* Release No. 33–9457 (October 2, 2013) [78 FR 60684].

[2] *See* Rule 301 of Regulation S–T (17 CFR 232.301).

[3] *See* Release No. 33–9457 in which we implemented EDGAR Release 13.3. For additional history of Filer Manual rules, please see the cites therein.

[4] *See* Release No. 34–70462 (September 20, 2013) [78 FR 67467 (November 12, 2013)].

[5] 5 U.S.C. 553(b).

[6] 5 U.S.C. 601–612.

[7] 5 U.S.C. 553(d)(3).

[8] 15 U.S.C. 77f, 77g, 77h, 77j, and 77s(a).

[9] 15 U.S.C. 78c, 78*l,* 78m, 78n, 78o, 78w, and 78*ll.*

[10] 15 U.S.C. 77sss.

[11] 15 U.S.C. 80a–8, 80a–29, 80a–30, and 80a–37.

20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Electronic copies are available on the Commission's Web site. The address for the Filer Manual is *http://www.sec.gov/info/edgar.shtml.* You can also inspect the document 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.*

Dated: March 4, 2014.

By the Commission.

**Elizabeth M. Murphy,**

*Secretary.*

[FR Doc. 2014–05057 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

### 21 CFR Part 878

**[Docket No. FDA–2014–N–0107]**

## Medical Devices; General and Plastic Surgery Devices; Classification of the Absorbable Lung Biopsy Plug

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Final order.

**SUMMARY:** The Food and Drug Administration (FDA) is classifying the absorbable lung biopsy plug into class II (special controls). The special controls that will apply to the device are identified in this order, and will be part of the codified language for the absorbable lung biopsy plug's classification. The Agency is classifying the device into class II (special controls) in order to provide a reasonable assurance of safety and effectiveness of the device.

**DATES:** This order is effective April 9, 2014. The classification was effective on December 19, 2012.

**FOR FURTHER INFORMATION CONTACT:** Neel Patel, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Rm. 2532, Silver Spring, MD 20993–0002, 301–796–6274.

**SUPPLEMENTARY INFORMATION:**

### I. Background

In accordance with section 513(f)(1) of the Federal Food, Drug, and Cosmetic Act (the FD&C Act) (21 U.S.C. 360c(f)(1)), devices that were not in commercial distribution before May 28, 1976 (the date of enactment of the Medical Device Amendments of 1976), generally referred to as postamendments devices, are classified automatically by statute into class III without any FDA rulemaking process. These devices remain in class III and require premarket approval, unless and until the device is classified or reclassified into class I or II, or FDA issues an order finding the device to be substantially equivalent, in accordance with section 513(i), to a predicate device that does not require premarket approval. The Agency determines whether new devices are substantially equivalent to predicate devices by means of premarket notification procedures in section 510(k) of the FD&C Act (21 U.S.C. 360(k)) and part 807 (21 CFR part 807) of the regulations.

Section 513(f)(2) of the FD&C Act, as amended by section 607 of the Food and Drug Administration Safety and Innovation Act (Pub. L. 112–144, July 9, 2012, 126 Stat. 1054), provides two procedures by which a person may request FDA to classify a device under the criteria set forth in section 513(a)(1). Under the first procedure, the person submits a premarket notification under section 510(k) for a device that has not previously been classified and, within 30 days of receiving an order classifying the device into class III under section 513(f)(1), the person requests a classification under section 513(f)(2). Under the second procedure, rather than first submitting a premarket notification under section 510(k) and then a request for classification under the first procedure, the person determines that there is no legally marketed device upon which to base a determination of substantial equivalence and requests a classification under section 513(f)(2). If the person submits a request to classify the device under this second procedure, FDA may decline to undertake the classification request if FDA identifies a legally marketed device that could provide a reasonable basis for review of substantial equivalence with the device or if FDA determines that the device submitted is not of ''low-moderate risk'' or that general controls would be inadequate to control the risks and special controls to mitigate the risks cannot be developed.

In response to a request to classify a device under either procedure provided by section 513(f)(2) of the FD&C Act, FDA will classify the device by written order within 120 days. This classification will be the initial classification of the device.

In accordance with section 513(f)(1) of the FD&C Act, FDA issued an order on March 19, 2009, classifying the Bio-Seal Lung Biopsy Tract Plug System into class III, because it was not substantially equivalent to a device that was introduced or delivered for introduction into interstate commerce for commercial distribution before May 28, 1976, or a device which was subsequently reclassified into class I or class II. On April 16, 2009, Angiotech submitted a request for classification of the Bio-Seal Lung Biopsy Tract Plug System under section 513(f)(2) of the FD&C Act. The manufacturer recommended that the device be classified into class II (Ref. 1).

In accordance with section 513(f)(2) of the FD&C Act, FDA reviewed the request in order to classify the device under the criteria for classification set forth in section 513(a)(1) of the FD&C Act. FDA classifies devices into class II if general controls by themselves are insufficient to provide reasonable assurance of safety and effectiveness but there is sufficient information to establish special controls to provide reasonable assurance of the safety and effectiveness of the device for its intended use. After review of the information submitted in the request, FDA determined that the device can be classified into class II with the establishment of special controls. FDA believes these special controls will provide reasonable assurance of the safety and effectiveness of the device.

Therefore, on December 19, 2012, FDA issued an order to the requester classifying the device into class II. FDA is codifying the classification of the device by adding 21 CFR 878.4755.

Following the effective date of this final classification order, any firm submitting a premarket notification (510(k)) for an absorbable lung biopsy plug will need to comply with the special controls named in this final order.

The device is assigned the generic name Absorbable Lung Biopsy Plug, and it is identified as a preformed (polymerized) absorbable lung biopsy plug intended to provide accuracy in marking a biopsy location for visualization during surgical resection and closure of pleural punctures associated with percutaneous, transthoracic needle lung biopsies. Upon deployment into the biopsy tract, the plug expands to fill the biopsy void and remains in place until resorbed.

FDA has identified the following risks to health associated specifically with this type of device, as well as the mitigation measures.

| Identified potential risk | Recommended mitigation measure |
|---|---|
| Inability to deploy plug | Design and Material Characterization<br>Bench Testing<br>In Vivo Evaluation<br>Labeling |
| Delayed plug expansion | Design and Material Characterization<br>Bench Testing<br>In Vivo Evaluation<br>Labeling |
| Leakage around plug | Design and Material Characterization<br>Bench Testing<br>In Vivo Evaluation<br>Labeling |
| Plug migration (whole plug and/or fragments) | Design and Material Characterization<br>Bench Testing<br>In Vivo Evaluation<br>Labeling |
| Procedural complications | In Vivo Evaluation<br>Labeling |
| Adverse tissue reaction | Biocompatibility<br>In Vivo Evaluation |
| Infection | Biocompatibility<br>Sterility<br>Shelf-Life Testing |
| Use error | Labeling |

FDA believes that the following special controls, in addition to the general controls, address these risks to health and provide reasonable assurance of the safety and effectiveness:

(1) The design characteristics of the device must ensure that the geometry and material composition are consistent with the intended use.

(2) Performance testing must demonstrate deployment as indicated in the accompanying labeling, including the indicated introducer needles, and demonstrate expansion and resorption characteristics in a clinically relevant environment.

(3) In vivo evaluation must demonstrate performance characteristics of the device including the ability of the plug to not prematurely resorb or migrate and the rate of pneumothorax.

(4) Sterility testing must demonstrate the sterility of the device and the effects of the sterilization process on the physical characteristics of the plug.

(5) Shelf-life testing must demonstrate the shelf-life of the device including the physical characteristics of the plug.

(6) The device must be demonstrated to be biocompatible.

(7) Labeling must include a detailed summary of the device-related and procedure-related complications pertinent to the use of the device and appropriate warnings. Labeling must include identification of compatible introducer needles.

Section 510(m) of the FD&C Act provides that FDA may exempt a class II device from the premarket notification requirements under section 510(k) of the FD&C Act if FDA determines that premarket notification is not necessary to provide reasonable assurance of the safety and effectiveness of the device. For this type of device, FDA has determined that premarket notification is necessary to provide reasonable assurance of the safety and effectiveness of the device. Therefore, this device type is not exempt from premarket notification requirements. Persons who intend to market this type of device must submit to FDA a premarket notification, prior to marketing the device, which contains information about the absorbable lung biopsy plug they intend to market.

## II. Environmental Impact

The Agency has determined under 21 CFR 25.34(b) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

## III. Paperwork Reduction Act of 1995

This final order establishes special controls that refer to previously approved collections of information found in other 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 part 807, subpart E regarding premarket notification submissions have been approved under OMB control number 0910–0120, and the collections of information in 21 CFR part 801, regarding labeling have been approved under OMB control number 0910–0485.

## IV. Reference

The following reference has been placed on display in the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852, and may be seen by interested persons between 9 a.m. and 4 p.m., Monday through Friday, and is available electronically at *http://www.regulations.gov.*

1. Request from Angiotech, dated April 16, 2009.

## List of Subjects in 21 CFR Part 878

Medical devices.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, 21 CFR part 878 is amended as follows:

## PART 878—GENERAL AND PLASTIC SURGERY DEVICES

■ 1. The authority citation for 21 CFR part 878 continues to read as follows:

**Authority:** 21 U.S.C. 351, 360, 360c, 360e, 360j, 360l, 371.

■ 2. Section 878.4755 is added to subpart E to read as follows:

### § 878.4755 Absorbable Lung Biopsy Plug.

(a) *Identification.* A preformed (polymerized) absorbable lung biopsy plug is intended to provide accuracy in marking a biopsy location for visualization during surgical resection and closure of pleural punctures associated with percutaneous, transthoracic needle lung biopsies. Upon deployment into the biopsy tract,

the plug expands to fill the biopsy void and remains in place until resorbed.

(b) *Classification.* Class II (special controls). The special controls for this device are:

(1) The design characteristics of the device must ensure that the geometry and material composition are consistent with the intended use.

(2) Performance testing must demonstrate deployment as indicated in the accompanying labeling, including the indicated introducer needles, and demonstrate expansion and resorption characteristics in a clinically relevant environment.

(3) In vivo evaluation must demonstrate performance characteristics of the device, including the ability of the plug to not prematurely resorb or migrate and the rate of pneumothorax.

(4) Sterility testing must demonstrate the sterility of the device and the effects of the sterilization process on the physical characteristics of the plug.

(5) Shelf-life testing must demonstrate the shelf-life of the device including the physical characteristics of the plug.

(6) The device must be demonstrated to be biocompatible.

(7) Labeling must include a detailed summary of the device-related and procedure-related complications pertinent to the use of the device and appropriate warnings. Labeling must include identification of compatible introducer needles.

Dated: February 28, 2014.

**Leslie Kux,**

*Assistant Commissioner for Policy.*

[FR Doc. 2014–05061 Filed 3–7–14; 8:45 am]

**BILLING CODE 4160–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### 26 CFR Parts 1, 301, and 602

**[TD 9660]**

**RIN 1545–BL31**

## Information Reporting of Minimum Essential Coverage

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Final regulations.

**SUMMARY:** This document contains final regulations providing guidance to providers of minimum essential health coverage that are subject to the information reporting requirements of section 6055 of the Internal Revenue Code (Code), enacted by the Patient Protection and Affordable Care Act. Health insurance issuers, certain employers, and others that provide minimum essential coverage to individuals must report to the IRS information about the type and period of coverage and furnish the information in statements to covered individuals. These final regulations affect health insurance issuers and carriers, employers, governments, and other persons that provide minimum essential coverage to individuals.

**DATES:** *Effective Date:* These regulations are effective on March 10, 2014.

*Applicability Dates:* For dates of applicability, see §§ 1.6055–1(j) and 1.6055–2(b).

**FOR FURTHER INFORMATION CONTACT:** Andrew Braden, (202) 317–4718 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

### Paperwork Reduction Act

The collection of information contained in these regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) under control number 1545–2252.

The collection of information in these final regulations is in §§ 1.6055–1 and 1.6055–2. The collection of information will be used to determine whether an individual has minimum essential coverage under section 1501(b) of the Patient Protection and Affordable Care Act (26 U.S.C. 5000A(f)). The collection of information is required to comply with the provisions of sections 5000A and 6055 of the Code. The likely respondents are health insurance issuers and carriers, self-insured employers or other sponsors of self-insured group health plans, and governments that provide minimum essential coverage.

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.

The burden for the collection of information contained in these final regulations will be reflected in the burden on Form 1095–B or another form that the IRS designates, which will request the information in the final regulations.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

### Background

This document contains final regulations that amend the Income Tax Regulations (26 CFR part 1) under sections 6055 and 6081 and the Procedure and Administration Regulations (26 CFR part 301) under sections 6011, 6721, and 6722, relating to the requirement for providers of minimum essential coverage (as defined in section 5000A(f)) to report to the IRS certain information about individuals covered by minimum essential coverage and to provide a statement to the individuals. Section 6055 was enacted by section 1502 of the Patient Protection and Affordable Care Act, Public Law 111–148 (124 Stat. 119 (2010)), which together with the Health Care and Education Reconciliation Act of 2010, Public Law 111–152 (124 Stat. 1029 (2010)), is referred to as the Affordable Care Act.

On September 9, 2013, a notice of proposed rulemaking (REG–132455–11) was published in the **Federal Register** (78 FR 54986). Written comments responding to the proposed regulations were received. A public hearing was held on November 19, 2013. The comments are available for public inspection at *www.regulations.gov* or on request. After consideration of all the comments, the proposed regulations are adopted as amended by this Treasury decision. These final regulations also include certain nonsubstantive revisions to increase consistency with final regulations issued under section 6056 (TD 9661) contemporaneously with these regulations

### Explanation of Provisions and Summary of Comments

*1. Coverage Subject To Reporting*

a. Minimum Essential Coverage

The proposed regulations provided that every person that provides minimum essential coverage to an individual during a calendar year must file an information return and a transmittal on forms prescribed by the IRS. Minimum essential coverage is defined in section 5000A(f) and regulations issued under that section.

Commenters suggested that section 6055 reporting should not be required for an individual who may be exempt from the individual shared responsibility payment under section 5000A.

Providers of minimum essential coverage, including employers providing coverage under a self-insured group health plan, may not have the information necessary to determine an individual's exempt status under

section 5000A. To ensure complete and accurate reporting, the final regulations provide for section 6055 reporting for all covered individuals.

b. Supplemental Coverage Arrangements

The proposed regulations provided that reporting is not required for arrangements that provide benefits in addition or as a supplement to a health plan or arrangement that constitutes minimum essential coverage. The preamble to the proposed regulations identified health reimbursement arrangements as supplemental coverage to which this rule may apply. In addition, reporting is not required for coverage that is not minimum essential coverage. The preamble to the proposed regulations noted that no reporting is required for health savings accounts, which are not minimum essential coverage.

A commenter asked whether on-site medical clinics are supplemental benefits for which no reporting is required under this rule. Another commenter asked whether reporting is required for an individual who is covered by Medicare Part B but not Medicare Part A.

Under section 9832(c)(1)(G), coverage at on-site medical clinics are excepted benefits. Section 5000A(f)(3) provides that excepted benefits are not minimum essential coverage. Under section 5000A(f)(1)(A)(i), Medicare Part A but not Medicare Part B is minimum essential coverage. Accordingly, section 6055 reporting is not required for coverage at on-site medical clinics or for Medicare Part B.

Commenters asked whether the supplemental coverage rule applies to wellness programs or to self-insured employer-provided retiree coverage that supplements Medicare benefits. Wellness programs that are an element of other minimum essential coverage (such as wellness programs offering reduced premiums or cost-sharing under a group health plan) do not require separate section 6055 reporting. The final regulations clarify that minimum essential coverage that supplements a primary plan of the same plan sponsor or that supplements government-sponsored coverage (such as Medicare) are supplemental coverage not subject to reporting.

*2. Persons Required To Report*

a. Self-Insured Group Health Plans

i. Controlled Groups

The proposed regulations provided that the plan sponsor is responsible for reporting under section 6055 for a self-insured group health plan and identified the sponsor and reporting entity for various types of self-insured arrangements. In general, the plan sponsor is the entity that establishes or maintains the plan. The proposed regulations provided that the employer is the plan sponsor for self-insured group health plans established or maintained by a single employer and that each participating employer is the plan sponsor for a plan established or maintained by more than one employer other than a multiple employer welfare arrangement. The proposed regulations also provided that, for purposes of identifying the employer, the section 414 employer aggregation rules do not apply. Thus, under the proposed regulations, a self-insured group health plan or arrangement covering employees of employers in a controlled group was treated as sponsored by more than one employer and each employer was required to report for its employees.

Commenters requested that the final regulations allow, but not require, one entity in a controlled group to report under section 6055 for all members of the group. A commenter noted that only one entity within the group may maintain the plan. Other commenters noted that in some controlled groups each entity may keep its own records but other groups may not track the entity to which an employee belongs.

Most employers that sponsor self-insured group health plans are applicable large employer members required to report under both section 6056 and section 6055. As discussed later in this preamble, the final regulations provide that applicable large employer members that are plan sponsors of self-insured group health plans will file a single information return that combines reporting under sections 6055 and 6056. These entities apply the rules under section 6056 for identifying the reporting entities in a controlled group. As stated in the preamble to the proposed regulations, one member of a controlled group may assist the other members by filing returns and furnishing statements on behalf of all members, thus providing administrative flexibility. However, each employer is treated as a plan sponsor separately liable for timely and correct reporting. Employers in controlled groups that are not applicable large employer members (determined after applying the aggregation rules under § 54.4980H–1(a)(16)), and reporting entities (such as issuers) that are not reporting as employers, may report under section 6055 as separate entities, or one entity may report for the group.

ii. Statutory Employees

A commenter asked that the final regulations clarify that a company may report self-insured group health plan coverage provided to statutory employees, that is, individuals who are not common law employees but are treated as employees under the Code for some purposes. The commenter noted that the employer shared responsibility payment under section 4980H and related information reporting under section 6056 apply to common law and not statutory employees.

Under section 6055, the provider of minimum essential coverage must report for covered individuals. In many cases, the provider is not the employer of the covered individuals. The proposed and final regulations provide that that the plan sponsor of a self-insured group health plan reports under section 6055. Accordingly, the plan sponsor reports under section 6055 for individuals covered by the plan, whether or not the individuals are employees.

b. Small Business Health Options Program (SHOP)

In order to reduce the compliance burden on health insurance issuers, the proposed regulations provided that issuers are not required to report under section 6055 on qualified health plans enrolled in through Affordable Insurance Exchanges (Exchanges), also called Marketplaces. Commenters requested that Exchanges also be responsible for section 6055 reporting for coverage obtained through the SHOP.

The final regulations do not require health insurance issuers to report under section 6055 for coverage under individual market qualified health plans purchased through an Exchange because Exchanges must report on this coverage under section 36B(f)(3). Exchanges are not required, however, to report on coverage obtained through the SHOP, therefore issuer reporting of SHOP coverage under section 6055 is necessary.

c. Government Employers

Pursuant to section 6055(d), the proposed regulations provided that, in general, a government employer that maintains a self-insured group health plan or arrangement may enter into a written agreement with another governmental unit, or an agency or instrumentality of a governmental unit, designating the other governmental unit, agency, or instrumentality as the person responsible for section 6055 reporting. The proposed regulations reserved the definition of *agency or instrumentality.*

Under the proposed regulations, a government employer included an Indian tribal government (as defined in section 7701(a)(40)) or subdivision of an Indian tribal government (as defined in section 7871(d)). A commenter asked whether a wholly-owned tribal entity formed under tribal and federal law is an agency or instrumentality of a governmental unit. The commenter suggested that it is administratively burdensome for an Indian tribal government (ITG) to determine whether a particular entity qualifies as an agency or instrumentality of an ITG under existing authorities, such as Revenue Ruling 57–128 (1957–1 CB 311), see § 601.601(d), relating to employment taxes.

The final regulations continue to reserve on the definition of *agency or instrumentality* for purposes of section 6055. Until future guidance is issued that defines that term for purposes of section 6055, in determining whether an entity is an agency or instrumentality of a governmental unit, the entity may make that determination based on a reasonable and good faith interpretation of existing rules relating to agency or instrumentality determinations for other federal tax purposes.

d. Government-Sponsored Programs

The proposed regulations provided that, in general, a health insurance issuer must report under section 6055 for all insured coverage. However, under the proposed regulations the responsible government department or agency and not the issuer was the reporting entity for coverage under a government-sponsored program provided through a health insurance issuer (such as some Medicaid, Children's Health Insurance Program (CHIP), and Medicare programs). A commenter requested that the final regulations specify that this rule applies to the Medicare Advantage program. The final regulations clarify that issuers do not report coverage under the Medicare Advantage program.

*3. Information Required To Be Reported*

a. Information Not Required To Be Reported

Section 6055 calls for the reporting of several data elements that are not required by taxpayers for preparing their tax returns or by the IRS for tax administration. As part of the effort to minimize the cost and simplify the administrative implementation of reporting under section 6055, the proposed regulations did not require reporting these unnecessary items. For example, the proposed regulations did not require reporting the amount of advance payments of the premium tax credit and cost-sharing reductions or the amount of the premium for employer coverage paid by an employer. Several commenters expressed support for these simplifications, and the final regulations retain them.

b. Taxpayer Identification Numbers (TINs)

i. Requirement To Request TINs

The proposed regulations implemented the statutory requirement that the section 6055 information return include the name and TIN for the primary insured or other related person (such as a parent or spouse) who submits the application for coverage, which the proposed regulations called the responsible individual, and for each covered individual. However, the proposed regulations permitted reporting entities to report a date of birth if a TIN is not available for an individual.

Some commenters advised that they do not currently obtain TINs for individuals enrolled in coverage, particularly for dependents, and asserted that the requirement to obtain TINs is burdensome and unnecessary. Commenters suggested that individuals will be reluctant to provide TINs and that no enforcement mechanism such as backup withholding is available. Some commenters expressed concerns about the risk of misuse of TINs and violations of privacy. Commenters requested, in general, that the final regulations allow reporting entities to report only a date of birth in lieu of a TIN for all individuals, or alternatively to provide a TIN only for an employee or other responsible individual and dates of birth for other covered individuals. Other commenters suggested that TIN reporting should be limited to the reporting under section 111 of the Medicaid, Medicare, and SCHIP Extension Act of 2007 (PL 110–173, 121 Stat. 2492), which requires TIN reporting only for individuals age 45 to 64 with coverage based on employment status.

After consideration of the comments, the final regulations retain the rule in the proposed regulations directing reporting entities to provide TINs for all covered individuals and to provide a date of birth only if a TIN is not available after the reporting entity makes reasonable efforts to obtain it. The purpose of information reporting under section 6055 is for individuals to establish, and the IRS to confirm, that the individuals have minimum essential coverage and are not subject to the section 5000A individual responsibility payment. The information on Form 1040 identifying dependents that can be matched with section 6055 reporting is name and TIN. Because many individuals have the same name, the name and TIN combination enable the IRS to identify that a particular individual has minimum essential coverage.

Individuals have a strong incentive to provide a TIN to the reporting entity if one is available to establish that they have coverage qualifying under section 5000A. Without a TIN to enable the IRS to match coverage reported on the Form 1040 with coverage reported on a section 6055 return, individuals will receive correspondence from the IRS asking them to verify coverage. Accordingly, the final regulations allow section 6055 reporting of dates of birth in lieu of TINs only if the reporting entity is informed that an individual has no TIN or the reporting entity is unable to obtain a TIN after making reasonable efforts, as discussed in more detail later in this preamble. Nothing in these final regulations authorizes a reporting entity to terminate coverage if a TIN is not provided. Reporting a date of birth in one year does not eliminate the need to make reasonable efforts to obtain a TIN.

A commenter suggested that requiring TIN reporting for responsible individuals not enrolled in the coverage reported is unnecessary and inconsistent with the statute, which requires reporting a TIN for the ''primary insured'' and each other covered individual. Under section 6055(b)(1)(B)(iv), the Secretary may direct the reporting of other information. Reporting of TINs for responsible individuals not enrolled in the coverage is helpful for tax administration because it facilitates matching the coverage of individuals reported under section 6055 with individuals for whom the responsible individual claims a personal exemption deduction. However, in response to the comment, the final regulations provide that reporting TINs for responsible individuals not enrolled in the coverage is optional.

Commenters requested that the final regulations include rules on confidentiality and restricting the use of private information by issuers and employers. A commenter suggested that the final regulations include rules similar to 45 CFR 155.260 and 45 CFR 155.715, which restrict the use of confidential information by Exchanges. The cited regulations under 45 CFR are issued under the authority of the Department of Health and Human Services (HHS) to oversee and regulate

the operation of Exchanges. Because the IRS and Treasury Department lack similar regulatory authority over section 6055 reporting entities, the final regulations do not include rules on confidentiality. However, existing privacy rules, such as those issued by HHS, apply and protect consumers' information.

To help protect against theft of social security numbers and other TINs, IRS rules permit reporting entities required to furnish certain statements to partially mask the TIN of statement recipients and others reported on an information statement by using a truncated TIN. It is expected that section 6055 reporting entities will be able to truncate the TINs of the responsible individual and covered individuals under these rules. The final regulations clarify that reporting entities are permitted to use truncated TINs on section 6055 statements.

ii. Reasonable Efforts To Obtain TINs

Under section 6724(d), as amended by the Affordable Care Act, a reporting entity that fails to comply with the filing and statement furnishing requirements of section 6055 may be subject to penalties for failure to file a correct information return (section 6721) or failure to furnish a correct payee statement (section 6722). These penalties may be waived if the failure was due to reasonable cause and not willful neglect (section 6724(a)). The preamble to the proposed regulations noted that the section 6721 and 6722 penalties may apply to a section 6055 reporting entity but the penalties may be waived under section 6724 and the related regulations for certain failures due to reasonable cause. The preamble explained that penalties are waived if a reporting entity demonstrates that it acted in a responsible manner and that the failure is due to significant mitigating factors or events beyond the reporting entity's control. See § 301.6724–1(a)(1).

Some commenters were uncertain about what solicitations are required to satisfy the requirement to act in a responsible manner. In general, under § 301.6724(e) (regarding missing TINs), a person will be treated as acting in a responsible manner if the person properly solicits the TIN but does not receive it. Under these rules, the reporting entity makes an initial solicitation at the time the relationship with the payee is established. However, the reporting entity is not required to make this initial solicitation if it already has the payee's TIN and uses that TIN for all relationships with the payee. If the reporting entity does not receive the TIN, the first annual solicitation is generally required by December 31 of the year in which the relationship with the payee begins (January 31 of the following year if the relationship begins in December). Generally, if the TIN is still not provided, a second solicitation is required by December 31 of the following year. If a TIN is still not provided, the reporting entity has acted in a responsible manner and need not continue to solicit a TIN.

For example, a reporting entity that makes an unsuccessful initial solicitation for a TIN in December 2014 must make a second solicitation by December 31, 2015. Assuming that request is also unsuccessful, the reporting entity would not be penalized if its section 6055 reporting submitted in early 2016 reported a date of birth in place of TIN for the individual in question. One additional solicitation must be made by December 31, 2016, to have acted in a responsible manner.

Commenters pointed out that the rules for solicitation in the existing regulations may not adequately address the circumstances surrounding the relationship between a reporting entity and a responsible individual and the covered individuals. Commenters requested that the final regulations provide rules on soliciting TINs specific to section 6055 reporting. For instance, a commenter suggested that a reporting entity should be allowed to certify that it has made reasonable efforts to obtain TINs and that the certification should be reviewed only upon examination, so that reporting entities do not have to respond to IRS notices requesting missing TINs. Commenters also suggested that the final regulations require reporting entities to request information only once or at most twice. Other commenters asked whether certain procedures that are not addressed in the current section 6724 regulations would satisfy the solicitation requirement, including: (1) Is a reporting entity required to restart the solicitation process if a new individual is added to a policy; (2) does soliciting information from the responsible individual serve as soliciting information from each covered individual on the section 6055 statement; (3) must reporting entities solicit information on a Form W–9, Request for Taxpayer Identification Number and Certification, or may a request for information on, for example, an application for insurance coverage serve as the first solicitation; (4) may a reporting entity obtain information from other documents in its possession; and (5) may reporting entities solicit information by email or phone call.

In enacting the Affordable Care Act, Congress added section 6055 reporting to the list of reporting provisions to which the section 6721, 6722, and 6724 penalty provisions apply, indicating that Congress intended that section 6055 reporting should be subject to the same rules in this regard as other information reporting. Regulations and other authorities under those sections already provide detailed rules for compliance, including the rules described above for waiving any penalties for reasonable cause that address some of the commenters questions. For instance, consistent with the rules in § 301.6724–1(e)(1)(i), the reporting entity may make an initial solicitation orally (by phone or in person), in writing (including using an application), or by electronic means such as email. The rules for the manner of making an annual solicitation should apply in the case of section 6055 as well. See, for example, § 301.6724–1(e)(2).

Under § 301.6724–1(e)(1)(i), an initial solicitation is not required if the reporting entity already has the payee's TIN and uses that TIN for all relationships of the payee with the reporting entity. In the case of section 6055 reporting, a reporting entity would likewise not be required to make an initial solicitation if the reporting entity has the TIN or other documents in its possession that it uses for other aspects of its relationship with the covered individual and/or responsible individual. For example, if the reporting entity is also the responsible individual's employer, the reporting entity does not have to make an initial solicitation for the employee's TIN for purposes of section 6055 reporting and may use the TIN that is used for employment purposes.

The solicitation rules under section 6724 also address situations in which the reporting entity does not have TIN information for account holders. Accounts commonly are maintained jointly. In these situations, the solicitation rules do not require solicitation of the accountholder merely because another person is added to the account. Similarly, although the addition of a new individual to a policy would trigger an obligation to obtain a TIN for the newly added individual, it would not trigger an obligation to solicit a TIN from existing covered individuals (or the responsible person).

Treasury and the IRS recognize that the existing solicitation rules under section 6724 may not address certain circumstances that may arise with respect to reporting under section 6055. Although the final regulations do not revise the regulations under section

6724 to specifically address these circumstances, Treasury and the IRS will continue to study the issue and may provide additional clarification if appropriate through guidance or forms and instructions.

c. Employer Identification Numbers (EINs)

The proposed regulations required reporting entities to report the name, address, and EIN of the plan sponsor. A health insurance issuer also must report the EIN of an employer maintaining a plan and whether coverage was enrolled in through the SHOP.

The proposed regulations provided that, for a multiemployer group health plan, the plan sponsor is the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan. A commenter asked that the final regulations clarify that the plan sponsor of a multiemployer plan is not required to report the EIN of the participating employers. The proposed and final regulations do not require sponsors of multiemployer plans to report the EINs of the participating employers. The regulations require only health insurance issuers to report the EIN of the employer sponsoring an insured group health plan.

d. Coverage Dates

The proposed regulations provided that section 6055 information returns must provide the months for which an individual is enrolled in and entitled for at least one day to receive benefits under the coverage. Several commenters supported the requirement to report only the months of coverage, while others requested that reporting entities be allowed to report coverage dates instead of months. Section 6055 reporting of coverage on a monthly basis simplifies compliance for individual taxpayers because section 5000A requires that they demonstrate coverage under minimum essential coverage for each month of a taxable year. Accordingly, the final regulations retain the rule in the proposed regulations.

*4. Time and Manner of Filing*

a. Electronic Filing

The proposed regulations provided that any person who is required to file under section 6055 must file electronically if the person is required to file at least 250 returns of any type. The proposed regulations aggregated all returns, including information returns (for example, Forms W–2 and 1099), income tax returns, employment tax returns, and excise tax returns, filed for the calendar year to determine if the 250-return threshold is met. A commenter requested that the final regulations require electronic reporting only if a reporting entity files at least 250 Forms W–2.

A ''no aggregation'' method of determining whether the 250 return threshold is met is consistent with the application of the rule to other information returns, such as Forms 1099 and W–2, that apply the 250 return threshold separately to each type of return required to be filed. See § 301.6011–2(c)(1). The final regulations adopt this rule. As a result, Forms 1095–B and 1095–C will be required to be electronically filed only if the reporting entity is required to file at least 250 of the specific form. Like transmittals of other information returns, the transmittal (Form 1094–B or 1094–C) is not treated as a separate return but must be electronically filed in the form and manner required by the IRS when the Form 1095 is electronically filed. The final regulations amend § 301.6011–2 to add Forms in the 1094 and 1095 series. Proposed § 301.6011–8 will be removed in a separate document.

b. Corrected Returns

The proposed regulations provided that the section 6721 and section 6722 penalties for failing to timely report correct information apply to reporting entities under section 6055. Penalties under section 6721 and section 6722 are reduced if a reporting entity files a corrected return within 30 days after the required filing date. Penalties also are reduced, but by a lesser amount, if a reporting entity makes a correction by August 1 following the reporting date. Penalties may be waived under section 6724 if the failure to timely and accurately report is due to reasonable cause and not willful neglect.

A commenter stated that reporting entities should not be required to submit corrected returns if the information included on the return is accurate at the time it is filed. The commenter recommended alternatively that the requirement to file corrected returns should apply for no more than 31 days after the end of the calendar year. Other commenters suggested a cut-off of the corrected return requirement of 30 days past the return filing due date.

Taxpayers require correct information to properly complete and file their income tax returns. The IRS must be able to accurately match information reporting with returns. Individuals are subject to the section 5000A requirement to maintain minimum essential coverage on a month-to-month basis. In the case of section 6055 reporting, a return or statement may be incomplete or incorrect as a result of a change in circumstances occurring after the coverage year has ended. For example, a child born during a month may be enrolled in coverage retroactive to the date of birth, or coverage may be retroactively cancelled due to a failure to pay premiums. Accordingly, consistent with other information reporting rules, the final regulations clarify that reporting entities that fail to timely file corrected returns and furnish corrected statements when information changes as a result of a change in circumstances have filed returns that are incomplete or incorrect within the meaning of sections 6721 and 6722.

*5. Combined Reporting*

Applicable large employer members that provide minimum essential coverage on a self-insured basis are subject to the reporting requirements of both section 6055 and section 6056, as well as the requirement under section 6051 to file Form W–2, Wage and Tax Statement, reporting wages paid to employees and taxes withheld. The proposed regulations did not permit combining section 6055 reporting with reporting for section 6056 or 6051. The proposed regulations allowed the use of substitute forms for the statement to individuals, which might have permitted reporting entities to combine section 6055 and section 6056 reporting for this purpose. The preamble to proposed regulations under section 6056 (78 FR 54986) described a number of proposals to simplify reporting under that section.

Commenters supported allowing combined section 6055 and section 6056 reporting for applicable large employer members sponsoring self-insured plans, suggesting that there is significant duplication in the information reported. Some commenters requested that combined reporting be optional and that employers be permitted to combine reporting for some employees but not others.

In response to these comments, the final regulations provide that applicable large employer members will file a combined return and statement for all reporting under sections 6055 and 6056. An applicable large employer member that sponsors a self-insured plan will report on Form 1095–C, completing both sections to report the information required under sections 6055 and 6056. An applicable large employer member that provides insured coverage also will report on Form 1095–C, but will complete only the section of Form

1095–C that reports the information required under section 6056. Section 6055 reporting entities that are not applicable large employer members or are not reporting as employers, such as health insurance issuers, sponsors of multiemployer plans, and providers of government-sponsored coverage, will report under section 6055 on Form 1095–B. In accordance with usual procedures, these forms will be made available in draft form in the near future.

*6. Statements Furnished to Individuals*

a. Deceased Recipients

The proposed regulations provided that a reporting entity must furnish a statement to each responsible individual reporting the policy number and the name, address, and a contact number for the reporting entity, and the information required to be reported to the IRS. A responsible individual is a primary insured, employee, former employee, uniformed services sponsor, parent, or other related person named on an application who enrolls one or more individuals, including him or herself, in minimum essential coverage.

Commenters requested that the final regulations provide that a statement is not required to be furnished to a covered individual who dies during the year. The commenters suggested alternatively that a statement should not be required for an individual who dies during the first three months of a year who would be exempt from the shared responsibility payment under section 5000A because of a short coverage gap.

Under § 1.5000A–1(a), the minimum essential coverage requirement applies only to full months that an individual is alive. However, section 5000A does not provide a general exemption from coverage for the year of death and the coverage gap exception may not apply if the gap began in the previous calendar year. Accordingly, to ensure that minimum essential coverage is properly reflected on a decedent's final income tax return and the estate is not held liable for a section 5000A payment, the final regulations do not provide an exception for a covered individual who dies during the year.

b. Time for Furnishing Statements

Section 6055 and the proposed regulations required a reporting entity to furnish the statement on or before January 31 of the year following the calendar year in which minimum essential coverage is provided. Commenters requested that the final regulations permit reporting entities to furnish statements within the last quarter of the calendar year of coverage with other material required to be sent at that time. The final regulations do not address furnishing a statement during the coverage year. However, the section 5000A requirement applies to each month during a calendar year, therefore a statement provided early in the last calendar quarter would not report coverage for those months. As a result, furnishing a statement before the end of the year increases the risk of reporting information that changes after the end of the year, potentially subjecting the reporting entity to penalties.

A commenter requested that the final regulations provide procedures for extending the time to furnish the section 6055 statement. Accordingly, in response to this comment, like other information reporting rules, the final regulations include rules allowing reporting entities showing good cause the flexibility to apply for an extension of time not exceeding 30 days to furnish statements.

A commenter requested that reporting entities be allowed to furnish statements reporting employer-sponsored coverage with the employees' Form W–2. Neither the final regulations nor regulations governing the furnishing of Forms W–2 under § 1.6051–1 prohibit mailing a 6055 statement with Form W–2. Accordingly, reporting entities may furnish the Form 1095–B or 1095–C with the Form W–2 in the same mailing.

c. Mailing Address

The proposed regulations provided that, if mailed, the statement required under section 6055 must be sent to the individual's last known permanent address or, if no permanent address is known, to the individual's temporary address.

Commenters asked that reporting entities be allowed to send statements to an alternate address, such as an employer's address, for individuals residing outside of the United States for whom the entity does not have an address. Other commenters requested clarification that the requirement to furnish a statement would be satisfied if a mailing is returned to the sender.

The final regulations adopt the rule in the proposed regulations requiring reporting entities to send statements to an individual's last known address. The final regulations add a rule, however, that a reporting entity's first class mailing to the recipient's last known permanent address, or if no permanent address is known, the temporary address, discharges the requirement to furnish the statement, even if the statement is returned. A reporting entity that has no address for an individual should send the statement to the address where the individual is most likely to receive it, for example to the address the reporting entity uses for requesting or providing information about the coverage.

d. Electronic Furnishing of Statements

The proposed regulations permitted electronic furnishing of statements to individuals if the recipient affirmatively consents. Commenters requested that reporting entities be permitted to furnish statements electronically unless the recipient requests paper statements, arguing that most recipients have access to a computer. Other commenters suggested that affirmative consent by the recipient should not be required. A commenter suggested that the final regulations provide rules for the electronic furnishing of statements to individuals that are similar to the rules under section 2715 of the Public Health Service Act for providing a summary of benefits and coverage, which allows furnishing in paper or electronic form.

Statutory and regulatory tax information reporting rules uniformly require a recipient's affirmative consent to receiving statements electronically. See, for example, section 401 of the Jobs Creation and Workers Assistance Act of 2002 (116 Stat. 21 (2002)); § 1.401(a)–21(b)(2); § 31.6051–1(j)(2)(i); 2014 General Instructions for Certain Information Returns (Forms 1097, 1098, 1099, 3921, 3922, 5498, and W–2G), page 12. These rules protect individuals who do not have access to or are not comfortable using a computer. Therefore, consistent with general information reporting rules, the final regulations do not permit reporting entities to furnish statements electronically unless an individual affirmatively consents to electronic furnishing.

The proposed regulations provided that consent to receive statements electronically may be provided in any manner that reasonably demonstrates that the recipient can access the statement in the electronic format in which it will be furnished. Commenters suggested that consent to electronic furnishing for other documents should be treated as consent to electronic furnishing of the section 6055 statement. Other commenters requested that employers be allowed to post a notice on the company's Web site advising employees that statements are available and provide paper statements only on request.

Consent to receive a statement in electronic format must be in a manner that reasonably demonstrates that the recipient is able to access the statement

in the electronic format in which it will be furnished. See for example § 31.6051–1(j)(2)(i). The proposed and final regulations explicitly allow statement recipients to provide consent and to access section 6055 statements in response to a notice on a Web site. A reporting entity may simultaneously request consent to receive an electronic section 6055 statement and consent regarding other statements. For instance, a reporting entity may simultaneously request consent to provide electronic statements for Forms W–2 and 1095, but each form must be specifically referenced in the request. A general consent to receive statements electronically does not reasonably demonstrate that the recipient is able to access the section 6055 statement in an electronic format and does not serve as consent to receive the section 6055 statement electronically.

e. Form of Statement

i. Information on the Statement

The proposed regulations provided that the statement furnished to the responsible individual must include a contact phone number for the person required to file the return. A commenter asked whether a reporting entity may provide an automated response to inquiries if a person ultimately is available. The final regulations do not prohibit initial automated responses if a caller is able to reach a person during the call.

A commenter requested that a reporting entity be permitted to designate a third party to be the contact person. The final regulations clarify that the statement only must include a phone number for a person designated as the reporting entity's contact person. The final regulations do not specify that the contact person must be a reporting entity's employee or prohibit designating a third party as the contact person.

ii. Substitute Statements

The proposed regulations permitted substitute statements if they include the information required to be shown on the return filed with the IRS and comply with applicable requirements in published guidance relating to substitute statements, for example, Rev. Proc. 2012–38 (2012–48 IRB 575), see § 601.601(d)(2) of this chapter.

Commenters expressed an interest in creating substitute statements combining information reporting under sections 6055 and 6056 and requested publication of a revenue procedure providing the specifications. Other commenters asked that reporting entities be allowed flexibility in customizing section 6055 statements in a style recognizable to their recipients.

The final regulations permit the use of substitute statements under section 6055 that conform to requirements provided in published guidance. The IRS plans to provide these requirements in published guidance or instructions. Employers submitting Forms 1095–C combining reporting under sections 6055 and 6056 to the IRS also will report the information required by those sections to the individuals in a single statement.

Commenters requested that the final regulations allow reporting entities to provide general rather than personalized information in the section 6055 statement, for example ''You were covered by minimum essential coverage for each month you were covered by the plan for at least one day.'' While the final regulations do not adopt this comment, it is anticipated that reporting entities will be able to check a box on the information return to report that an individual was covered for all 12 months of the calendar year.

e. TIN Matching Program

Commenters requested that the IRS TIN matching program, see Rev. Proc. 2003–09 (2003–1 CB 516) and § 601.601(d), include section 6055 reporting. The TIN matching program may be used only for reportable payments subject to backup withholding under section 3406. Therefore, TIN matching is not permitted for purposes of section 6055 reporting and the final regulations do not include section 6055 reporting in the TIN matching program.

*7. Penalties*

The proposed regulations applied to calendar years beginning after December 31, 2014. Under Notice 2013–45 (2013–31 IRB 116), the IRS will not apply penalties for failure to comply with section 6055 for 2014 (for coverage in 2014 and information returns filed and statements furnished to covered individuals in 2015).

A commenter requested that the effective date of the section 6055 reporting requirements be extended an additional year if final regulations are not released by January 1, 2014, thus requiring no reporting in 2016 for coverage in 2015. Other commenters requested that the IRS waive penalties for reporting in 2016 on 2015 coverage if a reporting entity makes a good faith effort to comply. One commenter requested that penalties be waived for the two years following the release of final regulations.

In implementing new information reporting requirements, short-term relief from penalties frequently is provided. This relief generally allows additional time to develop appropriate procedures for collection of data and compliance with these new reporting requirements. After considering the comments received, the IRS will not impose penalties under sections 6721 and 6722 on reporting entities that can show that they have made good faith efforts to comply with the information reporting requirements. Specifically, relief is provided from penalties under sections 6721 and 6722 for returns and statements filed and furnished in 2016 to report coverage in 2015, but only for incorrect or incomplete information reported on the return or statement, including TINs or dates of birth. No relief is provided in the case of reporting entities that do not make a good faith effort to comply with these regulations or that fail to timely file an information return or furnish a statement. However, consistent with the existing information reporting rules, reporting entities that fail to timely meet the requirements of these regulations may be eligible for penalty relief if the IRS determines that the standards for reasonable cause under section 6724 are satisfied.

**Effective/Applicability Date**

These regulations apply for calendar years beginning after December 31, 2014. Consistent with Notice 2013–45, reporting entities will not be subject to penalties for failure to comply with the section 6055 reporting requirements for coverage in 2014 (including the provisions requiring the furnishing of statements to covered individuals in 2015 with respect to 2014). Accordingly, a reporting entity will not be subject to penalties if it first reports beginning in 2016 for 2015 (including the furnishing of statements to covered individuals).

Taxpayers are encouraged, however, to voluntarily comply with section 6055 information reporting for minimum essential coverage provided in 2014. Given significant changes in the information reporting provisions in response to commenters' feedback on the proposed regulations, including requiring applicable large employer members to file a return that combines section 6055 and section 6056 reporting, reporting entities that wish to voluntarily comply with the section 6055 information reporting provisions for 2014 should build their systems and report in accordance with these final regulations. Real-world testing of reporting systems and plan designs, built in accordance with the terms of

these final regulations, through voluntary compliance for 2014 will contribute to a smoother transition to full implementation for 2015.

**Special Analyses**

It has been determined that these final regulations are not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations.

Sections 603 and 604 of the Regulatory Flexibility Act (5 U.S.C. chapter 6) (RFA) generally require agencies to prepare a regulatory flexibility analysis addressing the impact of proposed and final regulations, respectively, on small entities. Section 605(b) of the RFA, however, provides that sections 603 and 604 do not apply if the head of the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. It is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities.

Section 6055 requires a person that provides minimum essential coverage to an individual to file a return with the IRS reporting information specified by the statute and to furnish a statement containing this information to an individual. These final regulations implement the underlying statute and the economic impact is principally a result of the underlying statute. Specifically, these final regulations primarily provide the time and manner for filing and furnishing the returns and statements that section 6055 requires.

Notice 2013–45 announced transition relief providing that information reporting under section 6055 will be optional for 2014. The notice advised that this relief would allow additional time for dialogue with prospective reporting entities in an effort to simplify the reporting requirements. Between publication of Notice 2013–45 and publication of the proposed regulations under section 6055, the IRS and the Treasury Department engaged in a series of discussions with employers, health insurance issuers, and other reporting entities. The proposed and final regulations address certain concerns expressed in those discussions.

These final regulations minimize the burden associated with the collection of information imposed by section 6055 in a number of ways. The regulations limit reporting to only the information that the IRS will use to verify minimum essential coverage and administer the premium tax credit, all of which is specified in the statute. For example, the regulations do not require reporting the amount of advance payments of the premium tax credit and cost-sharing reductions or the amount of the premium for employer coverage paid by an employer. Similarly, the only information the regulations require for administration of the small employer health insurance credit under section 45R is whether a qualified health plan was enrolled in through an Exchange. The final regulations reduce burden for applicable large employer members by allowing combined reporting under sections 6055 and 6056. The final regulations allow for substitute statements, furnishing of statements with Forms W–2, and electronic delivery consistent with other information reporting rules. Finally, the final regulations relieve health insurance issuers from reporting for individual market qualified health plans enrolled in through an Affordable Insurance Exchange because Exchanges will report on these enrollments under section 36B(f)(3).

Based on these facts, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act is not required.

Pursuant to section 7805(f) of the Code, the notice of proposed rulemaking that preceded these final regulations was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

**Drafting Information**

The principal author of these final regulations is Andrew Braden of the Office of Associate Chief Counsel (Income Tax and Accounting). However, other personnel from the IRS and the Treasury Department participated in the development of the regulations.

**List of Subjects**

*26 CFR Part 1*

Income taxes, Reporting and recordkeeping requirements.

*26 CFR Part 301*

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

*26 CFR Part 602*

Reporting and recordkeeping requirements.

**Adoption of Amendments to the Regulations**

Accordingly, 26 CFR parts 1, 301, and 602 are amended as follows:

## PART 1—INCOME TAXES

■ **Paragraph 1.** The authority citation for part 1 is amended by adding entries in numerical order to read in part as follows:

**Authority:** 26 U.S.C. 7805 * * *

Sections 1.6055–1 and 1.6055–2 also issued under 26 U.S.C. 6055.

■ **Par. 2.** Sections 1.6055–1 and 1.6055–2 are added to read as follows:

**§ 1.6055–1 Information reporting for minimum essential coverage.**

(a) *Information reporting requirement.* Every person that provides minimum essential coverage to an individual during a calendar year must file an information return and transmittal and furnish statements to responsible individuals on forms prescribed by the Internal Revenue Service.

(b) *Definitions*—(1) *In general.* The definitions in this paragraph (b) apply for purposes of this section.

(2) *Affordable Care Act.* The term *Affordable Care Act* refers to the Patient Protection and Affordable Care Act, Public Law 111–148 (124 Stat. 119 (2010)), and the Health Care and Education Reconciliation Act of 2010, Public Law 111–152 (124 Stat. 1029 (2010)), and amendments to those acts.

(3) *ERISA.* The term *ERISA* means the Employee Retirement Income Security Act of 1974, as amended (29 U.S.C. 1001 et seq.).

(4) *Exchange. Exchange* has the same meaning as in 45 CFR 155.20.

(5) *Government employer.* The term *government employer* means an employer that is a governmental unit or an agency or instrumentality of a governmental unit.

(6) *Governmental unit.* The term *governmental unit* refers to the government of the United States, any State or political subdivision of a State, or any Indian tribal government (as defined in section 7701(a)(40)) or subdivision of an Indian tribal government (as defined in section 7871(d)).

(7) *Agency or instrumentality of a governmental unit.* [Reserved]

(8) *Minimum essential coverage. Minimum essential coverage* is defined in section 5000A(f) and regulations issued under that section.

(9) *Qualified health plan.* The term *qualified health plan* has the same meaning as in section 1301(a) of the Affordable Care Act (42 U.S.C. 18021(a)).

(10) *Reporting entity.* A *reporting entity* is any person that must report, under section 6055 and this section, minimum essential coverage provided to an individual.

(11) *Responsible individual.* The term *responsible individual* includes a primary insured, employee, former employee, uniformed services sponsor, parent, or other related person named on an application who enrolls one or more individuals, including him or herself, in minimum essential coverage.

(12) *Taxpayer identification number.* The term *taxpayer identification number* (TIN) has the same meaning as in section 7701(a)(41).

(c) *Persons required to report*—(1) *In general.* The following persons must file the information return and transmittal form required under paragraph (a) of this section to report minimum essential coverage—

(i) Health insurance issuers, or carriers (as used in 5 U.S.C. 8901), for all insured coverage, except as provided in paragraph (c)(3)(ii) of this section;

(ii) Plan sponsors of self-insured group health plan coverage;

(iii) The executive department or agency of a governmental unit that provides coverage under a government-sponsored program (within the meaning of section 5000A(f)(1)(A)); and

(iv) Any other person that provides minimum essential coverage to an individual.

(2) *Plan sponsors of self-insured group health plan coverage*—(i) *In general.* For purposes of this section, a plan sponsor of self-insured group health plan coverage is—

(A) The employer for a self-insured group health plan or arrangement established or maintained by a single employer (determined without application of section 414(b), (c), (m) or (o) in the case of an employer described in paragraph (f)(4)(i) of this section), including each participating employer with respect to a self-insured group health plan or arrangement established or maintained by more than one employer (and not including a multiemployer plan as defined in section 3(37) of ERISA or a Multiple Employer Welfare Arrangement as defined in section 3(40) of ERISA);

(B) The association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan for a self-insured group health plan or arrangement that is a multiemployer plan (as defined in section 3(37) of ERISA).

(C) The employee organization for a self-insured group health plan or arrangement maintained solely by an employee organization;

(D) Each participating employer for a self-insured group health plan or arrangement maintained by a Multiple Employer Welfare Arrangement (as defined in section 3(40) of ERISA) with respect to the participating employer's own employees; and

(E) For a self-insured group health plan or arrangement for which a plan sponsor is not otherwise identified in paragraphs (c)(2)(i)(A) through (c)(2)(i)(D) of this section, the person designated by plan terms as the plan sponsor or plan administrator or, if no person is designated as the administrator and a plan sponsor cannot be identified, each entity that maintains the plan or arrangement.

(ii) *Government employers.* Unless otherwise provided by statute or regulation, a government employer that maintains a self-insured group health plan or arrangement may enter into a written agreement with another governmental unit, or an agency or instrumentality of a governmental unit, that designates the other governmental unit, agency, or instrumentality as the person required to file the returns and to furnish the statements required by this section for some or all of the individuals receiving minimum essential coverage under that plan or arrangement. The designated governmental unit, agency, or instrumentality must be part of or related to the same governmental unit as the government employer (for example, a political subdivision of a State may designate the State or another political subdivision of the state) and agree to the designation. The government employer must make or revoke the designation before the earlier of the deadline for filing the returns or furnishing the statements required by this section and must retain a copy of the designation in its books and records. If the requirements of this paragraph (c)(2)(ii) are met, the designated governmental unit, agency, or instrumentality is the sponsor under paragraph (c)(2)(i) of this section. If no entity is designated, the government employer that maintains the self-insured group health plan or arrangement is the sponsor under paragraph (c)(2)(i) of this section.

(3) *Special rules for government-sponsored programs*—(i) *Medicaid and Children's Health Insurance Program (CHIP) coverage.* The State agency that administers the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 and following sections) or the CHIP program under title XXI of the Social Security Act (42 U.S.C. 1396 and following sections) must file the returns and furnish the statements required by this section for those programs.

(ii) *Government-sponsored coverage provided through health insurance issuers.* An executive department or agency of a governmental unit that provides coverage under a government-sponsored program through a health insurance issuer (such as Medicaid, CHIP, or Medicare, including Medicare Advantage) must file the returns and furnish the statements required by this section.

(iii) *Nonappropriated Fund Health Benefits Program.* The Secretary of Defense may designate the Department of Defense components (as used in DoD Directive 5100.01, Functions of the Department of Defense and Its Major Components (December 21, 2010)) that must file the returns and furnish the statements required by this section for the Nonappropriated Fund Health Benefits Program.

(4) *Other arrangements recognized as minimum essential coverage.* The Commissioner may designate in published guidance, see § 601.601(d) of this chapter, the reporting entity for arrangements the Secretary of Health and Human Services, in coordination with the Secretary of the Treasury, recognizes under section 5000A(f)(1)(E) as minimum essential coverage.

(d) *Reporting not required*—(1) *Qualified health plans.* A health insurance issuer is not required to file a return or furnish a report under this section for coverage in a qualified health plan in the individual market enrolled in through an Exchange.

(2) *Additional health benefits.* No reporting is required under paragraph (a) of this section for minimum essential coverage that provides benefits in addition or as a supplement to a health plan or arrangement that constitutes minimum essential coverage if—

(i) The primary and supplemental coverages have the same plan sponsor; or

(ii) The coverage supplements government-sponsored coverage (as defined in section 5000A(f)(1)(A) and the regulations under that section) such as Medicare.

(3) *Individuals not enrolled in coverage.* No reporting is required under this section for coverage offered to individuals who do not enroll.

(e) *Information required to be reported to the Internal Revenue Service*—(1) *In general.* All information returns required by this section must report the following information for the calendar year of coverage—

(i) The name, address, and employer identification number (EIN) of the

reporting entity required to file the return;

(ii) The name, address, and TIN, or date of birth if a TIN is not available, of the responsible individual, except that reporting entities may but are not required to report the TIN of a responsible individual not enrolled in the coverage;

(iii) The name and TIN, or date of birth if a TIN is not available, of each individual who is covered under the policy or program;

(iv) For each covered individual, the months for which, for at least one day, the individual was enrolled in coverage and entitled to receive benefits; and

(v) Any other information specified in forms, instructions, or published guidance, see §§ 601.601(d) and 601.602 of this chapter.

(2) *Information relating to employer-provided coverage.* In addition to the information described in paragraph (e)(1) of this section, information returns reporting minimum essential coverage provided to an individual that is coverage provided by a health insurance issuer through a group health plan must report—

(i) The name, address, and EIN of the employer sponsoring the plan;

(ii) Whether the coverage is a qualified health plan enrolled in through the Small Business Health Options Program (SHOP) and the SHOP's unique identifier; and

(iii) Other information specified in forms, instructions, or published guidance, see §§ 601.601(d) and 601.602 of this chapter.

(f) *Time and manner for filing return*—(1) *In general.* A reporting entity must file the return and transmittal form required under paragraph (a) of this section on or before February 28 (March 31 if filed electronically) of the year following the calendar year in which it provided minimum essential coverage to an individual. A reporting entity must file the return and transmittal form as specified in forms or instructions. For extensions of time for filing returns under this section see §§ 1.6081–1 and 1.6081–8. See § 301.6011–2 of this chapter for rules relating to electronic filing.

(2) *Form of return*—(i) *Applicable large employer members.* A reporting entity that is reporting under section 6055 as an applicable large employer member (as defined in § 54.4980H–1(a)(5) of this chapter) makes the return required under this paragraph (f) on Form 1094–C and Form 1095–C or other form designated by the Internal Revenue Service.

(ii) *Reporting entities not reporting as applicable large employer members.* Entities reporting as health insurance issuers or carriers, sponsors of self-insured group health plans that are not reporting as applicable large employer members, sponsors of multiemployer plans, and providers of government-sponsored coverage, will report under section 6055 on Form 1094–B and Form 1095–B or other form designated by the Internal Revenue Service.

(iii) *Substitute forms.* Reporting entities may make the return required under this paragraph (f) on a substitute form. A substitute form must comply with revenue procedures or other published guidance (see § 601.601(d)(2) of this chapter) that apply to substitute forms.

(g) *Statements to be furnished to responsible individuals*—(1) *In general.* Every person required to file a return under this section must furnish to the responsible individual identified on the return a written statement. For purposes of the penalty under section 6722, furnishing a statement to the responsible individual is treated as furnishing a statement to the payee. The statement must show—

(i) The phone number for a person designated as the reporting entity's contact person and policy number, if any; and

(ii) Information described in paragraph (e) of this section required to be shown on the section 6055 return for the responsible individual and each covered individual listed on the return.

(2) *Statements for individuals other than the responsible individual.* A reporting entity is not required to provide a statement described in paragraph (g)(1) of this section to an individual who is not the responsible individual.

(3) *Form of the statement.* A statement required under this paragraph (g) may be made either by furnishing to the responsible individual a copy of the return filed with the Internal Revenue Service or on a substitute statement. A substitute statement must include the information required to be shown on the return filed with the Internal Revenue Service and must comply with requirements in published guidance (see § 601.601(d)(2) of this chapter) relating to substitute statements. An Internal Revenue Service truncated taxpayer identification number may be used as the identification number for an individual in lieu of the identification number appearing on the corresponding information return filed with the Internal Revenue Service.

(4) *Time and manner for furnishing statements*—(i) *Time for furnishing*—(A) *In general.* A reporting entity must furnish the statements required under this paragraph (g) on or before January 31 of the year following the calendar year in which minimum essential coverage is provided.

(B) *Extensions of time*—(*1*) *In general.* For good cause upon written application of the person required to furnish statements under this section, the Internal Revenue Service may grant an extension of time not exceeding 30 days in which to furnish these statements. The application must be addressed to the Internal Revenue Service, and must contain a full recital of the reasons for requesting the extension to aid the Internal Revenue Service in determining the period of the extension, if any, that will be granted. A request in the form of a letter to the Internal Revenue Service, signed by the applicant, suffices as an application. The application must be filed on or before the date prescribed in paragraph (g)(4)(i)(A) of this section.

(*2*) *Automatic extension of time.* The Commissioner may, in appropriate cases, prescribe additional guidance or procedures, published in the Internal Revenue Bulletin (see § 601.601(d)(2) of this chapter), for automatic extensions of time to furnish to one or more individuals the statement required under section 6055.

(ii) *Manner of furnishing.* If mailed, the statement must be sent to the responsible individual's last known permanent address or, if no permanent address is known, to the individual's temporary address. For purposes of this paragraph (g)(4), a reporting entity's first class mailing to the last known permanent address, or if no permanent address is known, the temporary address, discharges the requirement to furnish the statement. A reporting entity may furnish the statement electronically if the requirements of § 1.6055–2 are satisfied.

(h) *Penalties*—(1) *In general.* For provisions relating to the penalty for failure to file timely a correct information return required under section 6055, see section 6721 and the regulations under that section. For provisions relating to the penalty for failure to furnish timely a correct statement to responsible individuals required under section 6055, see section 6722 and the regulations under that section. See section 6724 and the regulations under that section for rules relating to the waiver of penalties if a failure to file timely or accurately is due to reasonable cause and is not due to willful neglect.

(2) *Application of section 6721 and 6722 penalties to section 6055 reporting.*

For purposes of section 6055 reporting, if the information reported on a return (including a transmittal) or a statement required by this section is incomplete or incorrect as a result of a change in circumstances (such as a retroactive change in coverage), a failure to timely file or furnish a corrected document is a failure to file or furnish a correct return or statement under sections 6721 and 6722.

(i) [Reserved.]

(j) *Effective/applicability date.* This section applies for calendar years beginning after December 31, 2014. Reporting entities will not be subject to penalties under section 6721 or 6722 for failure to comply with the section 6055 reporting requirements for coverage in 2014 (for information returns filed and statements furnished in 2015).

**§ 1.6055–2 Electronic furnishing of statements**

(a) *Electronic furnishing of statements*—(1) *In general.* A person required by section 6055 to furnish a statement (furnisher) to a responsible individual (a recipient) may furnish the statement in an electronic format in lieu of a paper format. A furnisher who meets the requirements of paragraphs (a)(2) through (a)(6) of this section is treated as furnishing the statement in a timely manner.

(2) *Consent*—(i) *In general.* The recipient must have affirmatively consented to receive the statement in an electronic format. The consent may be made electronically in any manner that reasonably demonstrates that the recipient can access the statement in the electronic format in which it will be furnished. Alternatively, the consent may be made in a paper document that is confirmed electronically.

(ii) *Withdrawal of consent.* The consent requirement of this paragraph (a)(2) is not satisfied if the recipient withdraws the consent and the withdrawal takes effect before the statement is furnished. The furnisher may provide that a withdrawal of consent takes effect either on the date the furnisher receives it or on another date no more than 60 days later. The furnisher also may provide that a recipient's request for a paper statement will be treated as a withdrawal of the recipient's consent.

(iii) *Change in hardware or software requirements.* If a change in the hardware or software required to access the statement creates a material risk that the recipient will not be able to access a statement, a furnisher must, prior to changing the hardware or software, notify the recipient. The notice must describe the revised hardware and software required to access the statement and inform the recipient that a new consent to receive the statement in the revised electronic format must be provided to the furnisher. After implementing the revised hardware or software, the furnisher must obtain from the recipient, in the manner described in paragraph (a)(2)(ii) of this section, a new consent or confirmation of consent to receive the statement electronically.

(iv) *Examples.* The following examples illustrate the rules of this paragraph (a)(2):

*Example 1.* Furnisher F sends Recipient R a letter stating that R may consent to receive the statement required under section 6055 electronically on a Web site instead of in a paper format. The letter contains instructions explaining how to consent to receive the statement electronically by accessing the Web site, downloading and completing the consent document, and emailing the completed consent back to F. The consent document posted on the Web site uses the same electronic format that F will use for the electronically furnished statement. R reads the instructions and submits the consent in the manner provided in the instructions. R has consented to receive the statement required under section 6055 electronically in the manner described in paragraph (a)(2)(i) of this section.

*Example 2.* Furnisher F sends Recipient R an email stating that R may consent to receive the statement required under section 6055 electronically instead of in a paper format. The email contains an attachment instructing R how to consent to receive the statement electronically. The email attachment uses the same electronic format that F will use for the electronically furnished statement. R opens the attachment, reads the instructions, and submits the consent in the manner provided in the instructions. R has consented to receive the statement required under section 6055 electronically in the manner described in paragraph (a)(2)(i) of this section.

*Example 3.* Furnisher F posts a notice on its Web site stating that Recipient R may receive the statement required under section 6055 electronically instead of in a paper format. The Web site contains instructions on how R may access a secure Web page and consent to receive the statement electronically. The consent via the secure Web page uses the same electronic format that F will use for electronically furnishing the statement. R accesses the secure Web page and follows the instructions for giving consent. R has consented to receive the statement required under section 6055 electronically in the manner described in paragraph (a)(2)(i) of this section.

(3) *Required disclosures*—(i) *In general.* Prior to, or at the time of, a recipient's consent, a furnisher must provide to the recipient a clear and conspicuous disclosure statement containing each of the disclosures described in this paragraph (a)(3).

(ii) *Paper statement.* The furnisher must inform the recipient that the statement will be furnished on paper if the recipient does not consent to receive it electronically.

(iii) *Scope and duration of consent.* The furnisher must inform the recipient of the scope and duration of the consent. For example, the recipient must be informed whether the consent applies to each statement required to be furnished after the consent is given until it is withdrawn or only to the first statement required to be furnished following the date of the consent.

(iv) *Post-consent request for a paper statement.* The furnisher must inform the recipient of any procedure for obtaining a paper copy of the recipient's statement after giving the consent described in paragraph (a)(2)(i) of this section and whether a request for a paper statement will be treated as a withdrawal of consent.

(v) *Withdrawal of consent.* The furnisher must inform the recipient that—

(A) The recipient may withdraw a consent by writing (electronically or on paper) to the person or department whose name, mailing address, telephone number, and email address is provided in the disclosure statement;

(B) The furnisher will confirm the withdrawal and the date on which it takes effect in writing (either electronically or on paper); and

(C) A withdrawal of consent does not apply to a statement that was furnished electronically in the manner described in this paragraph (a) before the date on which the withdrawal of consent takes effect.

(vi) *Notice of termination.* The furnisher must inform the recipient of the conditions under which the furnisher will cease furnishing statements electronically to the recipient (for example, termination of the recipient's employment with a furnisher who is the recipient's employer).

(vii) *Updating information.* The furnisher must inform the recipient of the procedures for updating the information needed to contact the recipient. The furnisher must inform the recipient of any change in the furnisher's contact information.

(viii) *Hardware and software requirements.* The furnisher must provide the recipient with a description of the hardware and software required to access, print, and retain the statement, and the date when the statement will no longer be available on the Web site. The furnisher must advise the recipient that the statement may be required to be printed and attached to

a Federal, State, or local income tax return.

(4) *Format.* The electronic version of the statement must contain all required information and comply with applicable published guidance (see § 601.601(d) of this chapter) relating to substitute statements to recipients.

(5) *Notice*—(i) *In general.* If a statement is furnished on a Web site, the furnisher must notify the recipient. The notice may be delivered by mail, electronic mail, or in person. The notice must provide instructions on how to access and print the statement and include the following statement in capital letters, ''IMPORTANT TAX RETURN DOCUMENT AVAILABLE.'' If the notice is provided by electronic mail, this statement must be on the subject line of the electronic mail.

(ii) *Undeliverable electronic address.* If an electronic notice described in paragraph (a)(5)(i) of this section is returned as undeliverable, and the furnisher cannot obtain the correct electronic address from the furnisher's records or from the recipient, the furnisher must furnish the notice by mail or in person within 30 days after the electronic notice is returned.

(iii) *Corrected statement.* If the furnisher has corrected a recipient's statement and the original statement was furnished electronically, the furnisher must furnish a corrected statement to the recipient electronically. If the original statement was furnished through a Web site posting, the furnisher must notify the recipient that it has posted the corrected statement on the Web site in the manner described in paragraph (a)(5)(i) of this section within 30 days of the posting. The corrected statement or the notice must be furnished by mail or in person if—

(A) An electronic notice of the Web site posting of an original statement or the corrected statement was returned as undeliverable; and

(B) The recipient has not provided a new email address.

(6) *Access period.* Statements furnished on a Web site must be retained on the Web site through October 15 of the year following the calendar year to which the statements relate (or the first business day after October 15, if October 15 falls on a Saturday, Sunday, or legal holiday). The furnisher must maintain access to corrected statements that are posted on the Web site through October 15 of the year following the calendar year to which the statements relate (or the first business day after such October 15, if October 15 falls on a Saturday, Sunday, or legal holiday) or the date 90 days after the corrected forms are posted, whichever is later.

(7) *Paper statements after withdrawal of consent.* A furnisher must furnish a paper statement if a recipient withdraws consent to receive a statement electronically and the withdrawal takes effect before the statement is furnished. A paper statement furnished after the statement due date under this paragraph (a)(7) is timely if furnished within 30 days after the date the furnisher receives the withdrawal of consent.

(b) *Effective/applicability date.* This section applies for calendar years beginning after December 31, 2014. Reporting entities will not be subject to penalties under section 6722 with respect to the reporting requirements for 2014 (for statements furnished in 2015).

■ **Par. 3.** Section 1.6081–8 is amended in paragraph (a) by adding the language ''1095 series,'' between the words ''1042–S,'' and ''1098''.

## PART 301—PROCEDURE AND ADMINISTRATION

■ **Par. 4.** The authority citation for part 301 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 * * *

■ **Par. 5.** Section 301.6011–2 is amended in the first sentence of paragraph (b)(1) by adding ''1094 series, 1095 series,'' after ''1042–S''.

■ **Par. 6.** Section 301.6721–1 is amended by removing the word ''or'' at the end of paragraph (g)(3)(xxii), removing the period and adding a semicolon in its place at the end of paragraph (g)(3)(xxiii), and adding paragraphs (g)(3)(xxiv) and (g)(3)(xxv) to read as follows:

**§ 301.6721–1 Failure to file correct information returns.**

* * * * *

(g) * * *

(3) * * *

(xxiv) Section 6055 (relating to information returns reporting minimum essential coverage); or

(xxv) Section 6056 (relating to information returns reporting on offers of health insurance coverage by applicable large employer members).

* * * * *

■ **Par. 7.** Section 301.6722–1 is amended by removing the word ''or'' at the end of paragraph (d)(2)(xxxi), removing the period and adding a semicolon in its place at the end of paragraph (d)(2)(xxxii), and adding paragraphs (d)(2)(xxxiii) and (d)(2)(xxxiv) to read as follows:

**§ 301.6722–1 Failure to furnish correct payee statements.**

* * * * *

(d) * * *

(2) * * *

(xxxiii) Section 6055 (relating to information returns reporting minimum essential coverage); or

(xxxiv) Section 6056 (relating to information returns reporting on offers of health insurance coverage by applicable large employer members).

* * * * *

## PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

**Par. 8.** The authority citation for part 602 continues to read as follows:

**Authority:** 26 U.S.C. 7805 * * *

■ **Par. 9.** In § 602.101, paragraph (b) is amended by adding two entries in numerical order to the table to read as follows:

**§ 602.101 OMB Control numbers.**

* * * * *

(b) * * *

| CFR part or section where identified and described | Current OMB control No. |
|---|---|
| * * * * * | |
| 1.6055–1 | 1545–2252 |
| 1.6055–2 | 1545–2252 |
| * * * * * | |

* * * * *

**John Dalrymple,**

*Deputy Commissioner for Services and Enforcement.*

Approved: March 2, 2014.

**Mark J. Mazur,**

*Assistant Secretary of the Treasury (Tax Policy).*

[FR Doc. 2014–05051 Filed 3–5–14; 4:15 pm]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### 26 CFR Parts 301 and 602

**[TD 9661]**

**RIN 1545–BL26**

## Information Reporting by Applicable Large Employers on Health Insurance Coverage Offered Under Employer-Sponsored Plans

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Final regulations.

**SUMMARY:** This document contains final regulations providing guidance to

employers that are subject to the information reporting requirements under section 6056 of the Internal Revenue Code (Code), enacted by the Affordable Care Act (generally employers with at least 50 full-time employees, including full-time equivalent employees). Section 6056 requires those employers to report to the IRS information about the health care coverage, if any, they offered to full-time employees, in order to administer the employer shared responsibility provisions of section 4980H of the Code. Section 6056 also requires those employers to furnish related statements to employees that employees may use to determine whether, for each month of the calendar year, they may claim on their individual tax returns a premium tax credit under section 36B (premium tax credit). The regulations provide for a general reporting method and alternative reporting methods designed to simplify and reduce the cost of reporting for employers subject to the information reporting requirements under section 6056. The regulations affect those employers, employees and other individuals.

**DATES:** *Effective Date:* These regulations are effective on March 10, 2014.

*Applicability Date:* For dates of applicability, see §§ 301.6056–1(m) and 301.6056–2(b).

**FOR FURTHER INFORMATION CONTACT:** Ligeia Donis at (202) 317–6846 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:**

## Paperwork Reduction Act

The collection of information contained in these final regulations has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) under control number 1545–2251.

The collection of information in these regulations is in §§ 301.6056–1, and 301.6056–2. This information is collected in accordance with the return and employee statement requirements under section 6056 and is used to administer section 4980H and the premium tax credit. The likely respondents are employers that are applicable large employers, as defined under section 4980H(c)(2).

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.

The burden for the collection of information contained in these final regulations will be reflected in the burden on Form 1095–C or another form that the IRS designates, which will request the information in the final regulations.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

## Background

Sections I through V of the preamble (''Background'') describe the statutory provisions governing the information reporting requirements, as well as related statutory provisions. Sections VI through XIII of the preamble (''Explanation of Provisions and Summary of Comments'') describe and explain how these regulations implement the statutory provisions of section 6056 and include a discussion of alternative reporting methods and simplifications that are adopted in these final regulations. As is typical of regulations on information reporting, these regulations refer generally to additional information that may be required under applicable forms and instructions. Sections IX.B and C of the preamble set forth the specific data elements that will be included with the reporting, including the data elements that will be provided through the use of an indicator code.

## I. Reporting Requirements for Applicable Large Employers (Section 6056)

Section 6056 [1] requires applicable large employers, as defined in section 4980H(c)(2), to file returns at the time prescribed by the Secretary with respect to each full-time employee and to furnish a statement to each full-time employee by January 31 of the calendar year following the calendar year for which the return must be filed. Section 6056 specifies certain information that must be reported on the return and related statement and authorizes the Secretary to require additional information and determine the form of the return. Section 6055 requires information reporting by any person that provides minimum essential coverage to an individual during a calendar year, which information relates to the section 5000A individual shared responsibility provisions. Sections 6055 and 6056 are effective for periods beginning after December 31, 2013; however, Notice 2013–45 (2013–31 IRB 116) provides transition relief from the section 6056 information reporting requirements (and section 4980H), as well as the section 6055 information reporting requirements, so that reporting is not required with respect to 2014.

Proposed regulations under section 6056 were published in the **Federal Register** on September 9, 2013 (REG–136630–12 [78 FR 54996]). The proposed regulations provide guidance on the reporting method proposed to implement the statutory provisions of section 6056 (referred to as the general method), and discuss a variety of potential simplified reporting methods, on which public comments were requested. Comments responding to the proposed regulations and potential simplified reporting methods were submitted and are available for public inspection at *www.regulations.gov* or upon request. A public hearing was conducted on November 18, 2013.

Treasury and the IRS have sought to develop final information reporting rules that will be as streamlined, simple, and workable as possible, consistent with effective implementation of the law. This has reflected a considered balancing of the importance of (1) minimizing cost and administrative tasks for reporting by entities and individuals, (2) providing individuals the information to complete their tax returns accurately, including with respect to the individual shared responsibility provisions and potential eligibility for the premium tax credit, and (3) providing the IRS with information needed for effective and efficient tax administration. After consideration of all of the comments and testimony, as well as the comments previously submitted in response to Notice 2012–33 (2012–20 IRB 912), the proposed regulations are adopted as amended by this Treasury Decision. The amendments are discussed in the Summary of Comments and Explanation of Provisions section of this preamble.

## II. Shared Responsibility for Employers (Section 4980H)

Section 6056 reporting is needed for the administration of section 4980H. Generally, a payment will be assessed under section 4980H if the employer either does not offer minimum essential coverage to its full-time employees (and their dependents) or the coverage offered is not affordable or does not

[1] Section 6056 was enacted by section 1514(a) of the Patient Protection and Affordable Care Act, Public Law 111–148 (124 Stat. 119 (2010)), amended by the Health Care and Education Reconciliation Act of 2010, Public Law 111–152 (124 Stat. 1029 (2010)), and further amended by the Department of Defense and Full-Year Continuing Appropriations Act of 2011, Public Law 112–10 (125 Stat. 38 (2011)) (collectively, the Affordable Care Act).

provide minimum value, and one or more of the full-time employees receive a premium tax credit for purchase of coverage on an Affordable Insurance Exchange (Exchange).[2] Section 4980H(c)(2) defines the term ''applicable large employer'' as, with respect to a calendar year, an employer that employed an average of at least 50 full-time employees on business days during the preceding calendar year. Generally, for purposes of determining applicable large employer status, a full-time employee includes any employee who was employed on average at least 30 hours of service per week and any full-time equivalents determined pursuant to section 4980H(c)(2)(E). As provided in section 4980H(c)(2)(C)(i), all employers treated as a single employer under section 414(b), (c), (m), or (o) are treated as one employer for purposes of determining applicable large employer status. Section 4980H contains rules for determining whether an employer qualifies as an applicable large employer, including special rules addressing an employer's first year of existence. See section 4980H(c)(2)(C).

Section 4980H is effective for months after December 31, 2013; however, Notice 2013–45 provides transition relief for 2014 for section 6056 reporting requirements which, given their role in administering section 4980H, means that no payments will be assessed under section 4980H for 2014. On February 12, 2014, Treasury and the IRS released final regulations under section 4980H (TD 9655 [79 FR 8544]).

The final regulations under section 4980H provide guidance on determining applicable large employer status and determining full-time employee status, including defining and providing rules for calculating hours of service. See §§ 54.4980H–1(a)(24) (definition of hours of service), 54.4980H–2 (determination of applicable large employer status), and 54.4980H–3 (determination of full-time employee status).

**III. Premium Tax Credit (Section 36B)**

Section 6056 reporting is also essential to the administration of the premium tax credit under section 36B, which was added by the Affordable Care Act. The advanceable and refundable section 36B premium tax credit helps individuals and families afford health insurance coverage purchased through an Exchange. An employee is not eligible for the premium tax credit to subsidize the cost of Exchange coverage if the employee is offered affordable minimum essential coverage under an employer-sponsored plan that provides minimum value, or if the employee enrolls in an employer-sponsored plan that provides minimum essential coverage. For purposes of the premium tax credit, an employer-sponsored plan is affordable if the employee's required contribution for the lowest-cost self-only minimum value coverage offered does not exceed 9.5 percent of the employee's household income. Since an employer ordinarily will not know an employee's household income, the final section 4980H regulations provide various safe harbors for determining affordability for purposes of section 4980H based on information available to the employer. Those safe harbors do not affect affordability for purposes of the premium tax credit, so that an employer will be treated as having offered affordable health care coverage for purposes of section 4980H if it meets one of the safe harbors under the section 4980H regulations even if the coverage is not treated as affordable to the individual employee for purposes of the premium tax credit. An employee who is offered affordable minimum essential coverage providing minimum value under an employer-sponsored plan but instead purchases coverage on an Exchange will not be eligible for a premium tax credit (and if such an employee's spouse or dependents are also offered coverage under the employer-sponsored plan but instead purchase coverage on an Exchange, they also will not be eligible for a premium tax credit on the Exchange). Individuals and the IRS will use the information reported under section 6056 on the cost of the lowest-cost employer-sponsored self-only minimum essential coverage that provides minimum value for purposes of verifying an individual's eligibility for the premium tax credit.

Individuals, including employees, may be eligible for advance payments of the premium tax credit (APTC), which are administered by HHS and paid to issuers on behalf of individuals who enrolled in Exchange coverage. Individuals who do not request APTC also may be eligible to claim the premium tax credit on their Federal income tax returns if they purchased coverage on an Exchange and were not offered employer-sponsored minimum essential coverage that was affordable and provided minimum value. The IRS and employees will use the information provided on the section 6056 return and employee statement to determine whether an employee is eligible for the premium tax credit. Note that in connection with providing APTC, the Exchanges will employ a verification process.

**IV. Individual Shared Responsibility (Section 5000A)**

The Affordable Care Act also added section 5000A to the Code. Section 5000A provides that every individual must have minimum essential coverage, qualify for an exemption, or include an additional payment with their Federal income tax return. Taxpayers who can claim a child or another individual as a dependent for federal income tax purposes are responsible for making the payment if the dependent does not have minimum essential coverage or an exemption.

Section 5000A(f)(1)(B) provides that minimum essential coverage includes coverage under an eligible employer-sponsored plan. Under section 5000A(f)(2) and § 1.5000A–2(c)(1), an eligible employer-sponsored plan is, with respect to an employee, (1) group health insurance coverage offered by, or on behalf of, an employer to an employee that is either (a) a governmental plan within the meaning of section 2791(d)(8) of the Public Health Service Act (42 U.S.C. 300gg–91(d)(8)), (b) any other plan or coverage in the small or large group market within a State, or (c) a grandfathered health plan, as defined in section 5000A(f)(1)(D), offered in a group market, or (2) a self-insured group health plan under which coverage is offered by, or on behalf of, an employer to an employee. Section 5000A(f)(3) and regulations under that section provide that minimum essential coverage does not include coverage consisting solely of excepted benefits described in section 2791(c)(1), (c)(2), (c)(3), or (c)(4) of the Public Health Service Act or regulations issued under these provisions. See § 1.5000A–2(g).

**V. Information Reporting by Providers of Coverage (Issuers, Self-Insuring Employers, and Sponsors of Certain Government-Sponsored Programs) (Section 6055)**

The Affordable Care Act also added section 6055 to the Code, providing for information reporting for the administration of section 5000A. The section 6055 reporting requirements are effective for years beginning after December 31, 2013; however, as noted above in section I of this preamble, Notice 2013–45 provides transition relief for 2014 from the section 6055 reporting requirements so that the reporting is not required with respect to 2014. Section 6055 requires information reporting by any person that provides minimum essential coverage to an

[2] An Exchange is also referred to in other published guidance as a Marketplace.

individual during a calendar year, including coverage provided under an eligible employer-sponsored plan, and the furnishing to taxpayers of a related statement covering each individual listed on the section 6055 return. The information reported under section 6055 may be used by individuals and the IRS to verify the months (if any) in which they were covered by minimum essential coverage. Treasury and the IRS are issuing final regulations under section 6055 (TD 9660) concurrently with these final regulations.

**Summary of Comments and Explanation of Provisions**

In general, in addition to the changes described elsewhere in this preamble, the final regulations adopt non-substantive changes that were made to certain sections of the proposed regulations in order to increase consistency with the final regulations under section 6055 issued concurrently with these final regulations. In addition, the proposed regulations provided that reporting entities must file section 6056 information returns electronically if they file 250 returns of any type. The final regulations provide that reporting entities must file section 6056 returns electronically if they file 250 returns under section 6056. These changes are discussed later in this preamble.

**VI. Introduction**

This Explanation of Provisions (Sections VI through XIII of this preamble) addresses the comments that were received and describes the provisions of these final regulations implementing the section 6056 reporting provisions discussed in the Background portion of the preamble. Specifically, this section includes the following:

Section VII Key Terms
Section VIII ALE Member Subject to Section 6056 Requirements With Respect to Full-Time Employees
Section IX General Method—Content, Manner, and Timing of Information Required To Be Reported to the IRS and Furnished to Full-Time Employees
Section X Alternative Methods for Section 6056 Information Reporting for Eligible ALE Members
Section XI Other Possible Alternative Methods Not Adopted in the Final Regulations
Section XII Person Responsible for Section 6056 Reporting
Section XIII Applicability of Information Return Requirements and Penalty Relief for 2015

**VII. Key Terms**

These regulations under section 6056 use a number of terms that are defined in other Code provisions or regulations. For example, section 6056(f) provides that any term used in section 6056 that is also used in section 4980H shall have the same meaning given to the term by section 4980H. The final regulations provide for the following defined terms:

A. *Applicable Large Employer* has the same meaning as in section 4980H(c)(2) and § 54.4980H–1(a)(4).

B. *Applicable Large Employer Member* has the same meaning as in § 54.4980H–1(a)(5). All persons treated as a single employer under section 414(b), (c), (m), or (o) are treated as one employer for purposes of determining applicable large employer status.[3] Under these regulations, the section 6056 filing and furnishing requirements are applied separately to each person comprising the applicable large employer consistent with the approach taken in the section 4980H regulations with respect to the determination of any assessable payment under section 4980H. The person or persons that comprise the applicable large employer are referred to as applicable large employer members (and referred to elsewhere in this preamble as ALE members).

C. *Dependent* has the same meaning as in § 54.4980H–1(a)(12).

D. *Eligible Employer-Sponsored Plan* has the same meaning as in section 5000A(f)(2) and § 1.5000A–2(c)(1).

E. *Full-time Employee* has the same meaning as in section 4980H(c)(4) and § 54.4980H–1(a)(21), but only as applied to the determination and calculation of liability under section 4980H(a) and (b) with respect to any individual employee (and therefore not including full-time equivalent employees as defined in § 54.4980H–1(a)(22)). The final regulations under section 4980H define an employee for purposes of section 4980H as an individual who is an employee under the common law standard, and as not including a leased employee (as defined in section 414(n)(2)), a sole proprietor, a partner in a partnership, a 2-percent S corporation shareholder, or a worker described in section 3508.

F. *Governmental Unit and Agency or Instrumentality of a Governmental Unit.* The term *governmental unit* is defined as the government of the United States, any State or political subdivision of a State, or any Indian tribal government (as defined in section 7701(a)(40)) or subdivision of an Indian tribal government (as defined in section 7871(d)). The regulations do not define the term *agency or instrumentality of a governmental unit* for purposes of section 6056, but reserve on the issue. Until future guidance is issued that defines the term for purposes of section 6056, an entity may determine whether it is an agency or instrumentality of a governmental unit based on a reasonable and good faith interpretation of existing rules relating to agency or instrumentality determinations for other federal tax purposes.

G. *Minimum Essential Coverage* has the same meaning as in section 5000A(f) and the regulations issued under that section.

H. *Minimum Value* has the same meaning as in section 36B and any applicable guidance. See proposed § 1.36B–6.

I. *Person* has the same meaning as provided in section 7701(a)(1) and the related regulations.

**VIII. ALE Member Subject to Section 6056 Requirements With Respect to Full-Time Employees**

As indicated earlier in section VII.B of this preamble, an ALE member is any person that is an applicable large employer or a member of an aggregated group (determined under section 414(b), 414(c), 414(m) or 414(o)) that is determined to be an applicable large employer. Under these regulations, the section 6056 filing and statement furnishing requirements apply on a member-by-member basis to each ALE member, even though the determination of whether an entity is an applicable large employer is made at the aggregated group level.[4] For example, if an applicable large employer is comprised of a parent corporation and 10 wholly-owned subsidiary corporations, there are 11 ALE members (the parent corporation and each of the 10 subsidiary corporations). Under these regulations, each ALE member with full-time employees is the entity responsible for filing and furnishing statements with respect to its full-time employees under section 6056. This is consistent with the manner in which any potential assessable payments under section

[3] Until further guidance is issued, government entities, churches, and a convention or association of churches may apply a reasonable, good faith interpretation of section 414(b), (c), (m), and (o) in determining whether a person or group of persons is an applicable large employer and whether a particular entity is an applicable large employer member. See section V.D. of the preamble to the final section 4980H regulations (TD 9655).

[4] Government entities, churches, and a convention or association of churches should, for purposes of section 6056 reporting, use an interpretation of section 414(b), (c), (m), and (o) that is consistent with that used for purposes of section 4980H in determining whether a person or group of persons is an applicable large employer and whether a particular entity is an applicable large employer member. See § 54.4980H–2(b)(4).

4980H will be calculated and administered.

Some commenters requested that the applicable large employer be permitted to report and furnish statements on a consolidated basis, or that the sponsor of a health plan offering coverage to employees of more than one ALE member plan be permitted to report and furnish statements on behalf of all the employers of employees eligible to participate in the plan. While these regulations do not adopt these suggestions, Treasury and the IRS understand that ALE members may benefit from the assistance of a third party in preparing these returns, for example a third-party plan administrator or a related ALE member tasked with preparing the returns for all the members of that applicable large employer. For a discussion of how these third parties may help an ALE member fulfill its reporting obligations, see section XII.C of this preamble.

The section 6056 return will form the basis for the process leading to any assessment of the ALE member under section 4980H, which is determined separately with respect to each ALE member. Any assessable payment would be calculated based on the relevant information related to the number of full-time employees of each ALE member and the nature of the offer of coverage, if any, made to each of that ALE member's full-time employees for each calendar month. Accordingly, the ALE member is the appropriate taxpayer to file the return relating to its potential tax liability.

Whether an employee is a full-time employee is determined under section 4980H(c)(4) and any applicable guidance. See §§ 54.4980H–1(a)(21) and 54.4980H–3. This includes any full-time employees who may perform services for multiple ALE members within the applicable large employer.[5] Under these regulations, only ALE members with full-time employees are subject to the filing and statement furnishing requirements of section 6056 (and only with respect to their full-time employees). Accordingly, ALE members without any full-time employees are not subject to the section 6056 reporting requirements.

Generally, the ALE member providing the section 6056 reporting is the common law employer. An ALE member that is a qualified subchapter S subsidiary under section 1361(b)(3)(B) or an entity described in § 301.7701–2(c)(2)(i) (collectively, a disregarded entity) is treated as an entity separate from its owner for purposes of section 4980H and section 6056 under §§ 1.1361–4(a)(8)(i)(E) and 301.7701–2(c)(2)(v)(A)(*5*) for periods after December 31, 2014. See TD 9655. Therefore, the reporting requirements under section 6056 apply to an ALE member that is a disregarded entity, and not to its owner.[6]

## IX. General Method—Content, Manner, and Timing of Information Required To Be Reported to the IRS and Furnished to Full-Time Employees

This section describes the general method for reporting to the IRS and furnishing statements to employees pursuant to section 6056 that is set forth in these regulations. This general method is available for all employers and with respect to reporting for all full-time employees. These regulations also provide alternative reporting methods, which in some cases may be available only with respect to a certain group or groups of employees. In those cases, with respect to those employees for whom an alternative reporting method is not available, the employer must use the general method. In any case, the alternative reporting methods are optional so that an employer may choose to report for any or all of its full-time employees using the general method even if an alternative reporting method is available. For a further description of the alternative reporting methods, see section X of this preamble.

### *A. Information Reporting to the IRS*

In accordance with section 6056, the regulations provide for each ALE member to file a section 6056 return with respect to its full-time employees. Similar to the separate Form W–2, Wage and Tax Statement, filed by an employer for each employee and the Form W–3, Transmittal of Wage and Tax Statements, filed as a transmittal form for the Forms W–2, these regulations provide that a separate return is required for each full-time employee, accompanied by a single transmittal form for all of the returns filed for a given calendar year.

Many commenters recommended that the regulations allow combined information reporting under sections 6055 and 6056 for applicable large employers that sponsor self-insured plans and must report under both sections. The proposed regulations did not provide for combined reporting. In an effort to minimize taxpayer burden and streamline the reporting process as authorized by section 6056(d), while minimizing the need for employers and the IRS to build multiple systems to accommodate multiple forms, these final regulations adopt this suggestion by providing for use by all ALE members of a single combined form for reporting the information required under both section 6055 and section 6056.

Accordingly, as a general method, these regulations provide that the section 6056 return may be made by filing Form 1094–C (a transmittal) and Form 1095–C (an employee statement), or other forms the IRS designates. Alternatively, the section 6056 return may be made by filing a substitute form. Under these regulations, a substitute form must include all of the information required to be reported on Forms 1094–C and 1095–C or other forms the IRS designates and comply with applicable revenue procedures or other published guidance relating to substitute returns. See §§ 301.6056–1(d)(2) and 601.601(d)(2). For a discussion of substitute statements for employees, see section IX.D of this preamble.

Form 1095–C will be used by ALE members to satisfy the section 6055 and 6056 reporting requirements, as applicable. An ALE member that sponsors a self-insured plan will report on Form 1095–C, completing both sections to report the information required under both sections 6055 and 6056. An ALE member that provides insured coverage will also report on Form 1095–C, but will complete only the section of Form 1095–C that reports the information required under section 6056. Section 6055 reporting entities that are not ALE members or are not reporting in their capacity as employers, such as health insurance issuers, self-insured multiemployer plans, and providers of government-sponsored coverage, will report under section 6055 on Form 1095–B. In accordance with usual procedures, these forms will be made available in draft form in the near future.

In response to comments, Treasury and the IRS also considered suggestions to use, for section 6055 and 6056 reporting purposes, information that

[5] For example, if a full-time employee performs services for two ALE members within an applicable large employer during a calendar month, the employee is treated as the employee of the ALE member for which the employee was credited the majority of the hours of service for that month. See § 54.4980H–5(d). Because an ALE member must report for any employee that is its full-time employee for one or more months of the year, all ALE members that are an employer of an employee that is its full-time employee for one or more months of the calendar year must file and furnish a section 6056 return with respect to services performed by the employee reflecting the months in which the employee was a full-time employee of that ALE member.

[6] Section 301.7701–2(c)(2)(v)(B) provides that an entity that is disregarded as an entity separate from its owner for any purpose under § 301.7701–2 is treated as a corporation with respect to the reporting requirements under section 6056.

employers communicate to employees about employer-sponsored coverage prior to employees' potential enrollment in Exchange coverage. These comments observed that, under the Affordable Care Act, employers provide pre-enrollment information to employees by various means, including information in the Notice of Coverage Options provided to employees pursuant to the requirements under section 18B of the Fair Labor Standards Act [7] and the Employer Coverage Tool developed by the Department of Health and Human Services (HHS) that supports the application for enrollment in a qualified health plan and insurance affordability programs.[8]

Treasury and the IRS have considered and coordinated with the Departments of HHS and Labor regarding the various provisions with a view to identifying ways to make the entire process as effective and efficient as possible for all parties. That said, the various reports are designed for different purposes, and pre-enrollment reporting regarding anticipated employer coverage in an upcoming coverage year is unlikely to be helpful to individual taxpayers in accurately completing their tax returns more than a year later (and after the coverage year has already ended). Among other issues, the pre-enrollment information may not be readily available to individuals at the time they are filing their tax returns, could be confused with other information (such as the pre-enrollment information provided to the individual pertaining to the coverage year following the calendar year to which the tax return relates), may not include certain information, like premiums, necessary for tax administration, and is in a format that does not facilitate easy transfer to the appropriate location on the Federal income tax return. In addition, the pre-enrollment information is generally not specific to the particular employee's experience at the employer. For these reasons, these regulations do not adopt these suggestions.

[7] On May 8, 2013, the Department of Labor issued Technical Release 2013–02 providing temporary guidance under Fair Labor Standards Act section 18B, as well as model notices. *See* Technical Release 2013–02, model notice for employers who offer a health plan to some or all employees, and model notice for employers who do not offer a health plan, available at *http://www.dol.gov/ebsa/healthreform/regulations/coverageoptionsnotice.html* Guidance on the Notice to Employees of Coverage.

[8] Available at *https://www.healthcare.gov/downloads/ECT_Application_508_130615.pdf.*

*B. Information Required To Be Reported and Furnished*

Except as otherwise provided as part of an alternative reporting method, these final regulations provide that each ALE member reports on the section 6056 information return the same information set forth in the proposed regulations. Specifically, the final regulations require the following information: (1) The name, address, and employer identification number of the ALE member, and the calendar year for which the information is reported; (2) the name and telephone number of the ALE member's contact person; (3) a certification as to whether the ALE member offered to its full-time employees (and their dependents) the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan, by calendar month; (4) the number of full-time employees for each calendar month during the calendar year, by calendar month; (5) for each full-time employee, the months during the calendar year for which minimum essential coverage under the plan was available; (6) for each full-time employee, the employee's share of the lowest cost monthly premium for self-only coverage providing minimum value offered to that full-time employee under an eligible employer-sponsored plan, by calendar month; and (7) the name, address, and taxpayer identification number of each full-time employee during the calendar year and the months, if any, during which the employee was covered under an eligible employer-sponsored plan. In addition, these regulations provide, as with other information reporting, that the section 6056 information return may request such other information as the Secretary may prescribe or as may be required by forms or instructions.

Some commenters requested that ALE members be permitted to provide the name and telephone number of a third party in the part of the section 6056 return requesting the name and telephone number of the ALE member's contact person. An ALE member may provide the name and telephone number of any contact person, whether an employee of the ALE member or an agent of the ALE member, acting on behalf of the ALE member for purposes of section 6056 reporting.

Some commenters requested that the final regulations not require the reporting of social security numbers for an employee's spouse or dependents. Neither the proposed regulations nor these final regulations require reporting of such information for purposes of section 6056.[9] These final regulations require only that an ALE member report the social security number of the full-time employee.

Some commenters requested that the final regulations permit employers to report dates of coverage rather than months of coverage. Other commenters requested that ALE members be permitted to provide the information on a payroll period basis, rather than a monthly basis, to address situations in which coverage is provided based on payroll periods. Other commenters requested that the ALE member be permitted to report by multi-month periods, rather than on a monthly basis, such as stating that coverage was offered January through October of a particular year. As provided in the final regulations under section 4980H and adopted by cross-reference in these regulations, the individuals who are full-time employees of an ALE member for a particular calendar month generally may be identified on a weekly basis or a payroll period basis that approximates the calendar month. See §§ 54.4980H–3(c)(3) and 54.4980H–3(d)(1)(ii). However, both section 4980H and the premium tax credit are administered based on the calendar month, so that whether the individual identified as a full-time employee was offered coverage for the entire calendar month is relevant to the administration of both Code provisions. Accordingly, ALE members are required to report on the basis of the twelve calendar months with respect to the coverage offered (or not offered) to each full-time employee.

As part of the effort to minimize the cost and administrative steps associated with the reporting requirements, the final regulations omit information that is not relevant to individual taxpayers or the IRS for purposes of administering the premium tax credit and section 4980H or that is already provided at the same time through other means. Specifically, consistent with the proposed regulations, these final regulations do not require the reporting of the following four data elements (and a more detailed description of the data elements that will be included is provided later in this section of the preamble):

First, the final regulations do not require the reporting of the length of any permissible waiting periods under section 4980H,[10] because the length of

[9] However, section 6055 requires reporting of taxpayer identification numbers for a responsible individual's spouse and/or dependents enrolled in minimum essential coverage.

[10] References throughout this preamble to *permissible waiting periods under section 4980H* refer to any periods that are included in the term

a waiting period is not relevant for administration of the premium tax credit or section 4980H or for an individual in preparing his or her tax return. However, Treasury and the IRS anticipate that information will be requested, using an indicator code, regarding whether coverage was not offered to an employee during certain months because of a permissible waiting period under section 4980H, since this information is relevant to the administration of section 4980H.

Second, these regulations do not require reporting of the employer's share of the total allowed costs of benefits provided under the plan because this information also is not relevant to the administration of the premium tax credit and section 4980H. In contrast, whether the employer-sponsored plan provides minimum value coverage is relevant information; accordingly, Treasury and the IRS anticipate that information will be requested, using an indicator code. Some commenters requested that information on the employer contribution continue to be required because it would be informative to the employee. Given that this information is not relevant to tax administration, and generally may be discerned by the employee from the information reported at the same time on the Form W–2, Box 12 using Code DD pursuant to section 6051(a)(14) (reporting of the total value of employer-provided health benefits provided to the employee), these regulations do not adopt this suggestion.

Third, these regulations do not require the reporting of the monthly premium for the lowest-cost option in each of the enrollment categories (such as self-only coverage or family coverage) under the plan. Rather, because only the lowest-cost option of self-only coverage providing minimum value offered under any of the enrollment categories for which the employee is eligible is relevant to the determination of whether coverage is affordable (and thus to the administration of the premium tax credit and section 4980H), that is the only cost information requested.

Fourth, the regulations do not require the reporting of the months, if any, during which any of the employee's dependents were covered under the plan. Instead, the regulations require reporting only regarding whether the employee was covered under a plan. Information relating to the months, if any, during which any of the employee's dependents were covered under the plan will be reported as part of the section 6055 information return associated with that employee's coverage, whether on the combined Form 1095–C return submitted by an ALE member with a self-insured plan or otherwise on the Form 1095–B return submitted by the insurance company or other person providing the minimum essential coverage.

Some commenters requested that information related to whether the employee was covered under a plan not be required to be reported as part of the section 6056 reporting because that information will be reported on the section 6055 return. Although this information is required to be reported under section 6055 and section 6056, this suggestion is not adopted in the final regulations because the employee's coverage under the eligible employer-sponsored plan means that the employee is not eligible for the premium tax credit. However, under the final regulations, ALE members with self-insured group health plans will now use a combined Form 1095–C to satisfy the section 6055 and section 6056 reporting requirements and will therefore only be required to report on a single form information regarding whether an employee was covered. ALE members that provide insured coverage will report information regarding whether an employee was covered once on the section 6056 section of the combined Form 1095–C and will leave the section of the form pertaining to section 6055 information blank.

Under the regulations, each ALE member must file and furnish the section 6056 return and employee statement using its EIN. Any ALE member that does not have an EIN may easily apply for one online, or by telephone, fax, or mail. See Publication 1635, Employer Identification Number, for further information at *www.irs.gov.*

To assist in administering section 4980H and the premium tax credit, the IRS will need certain information not specifically set forth under section 6056 but authorized under section 6056(b)(2)(F).

Under the general method of section 6056 reporting, the following information will be reported through the use of indicator codes for some information, as part of the section 6056 return (as well as the number of individual employee statements being submitted):

(1) Information as to whether the coverage offered to full-time employees and their dependents under an employer-sponsored plan provides minimum value and whether the employee had the opportunity to enroll his or her spouse in the coverage;

(2) the total number of employees, by calendar month;

(3) whether an employee's effective date of coverage was affected by a permissible waiting period under section 4980H, by calendar month;

(4) whether the ALE member had no employees or otherwise credited any hours of service during any particular month, by calendar month;

(5) whether the ALE member is a person that is a member of an aggregated group, determined under section 414(b), 414(c), 414(m), or 414(o), and, if applicable, the name and EIN of each employer member of the aggregated group constituting the applicable large employer on any day of the calendar year for which the information is reported;

(6) if an appropriately designated person is reporting on behalf of an ALE member that is a governmental unit or any agency or instrumentality thereof for purposes of section 6056, the name, address, and identification number of the appropriately designated person;

(7) if an ALE member is a contributing employer to a multiemployer plan, whether, with respect to a full-time employee, the employer is not subject to an assessable payment under section 4980H due to the employer's contributions to the multiemployer plan; and

(8) if a third party is reporting for an ALE member with respect to the ALE member's full-time employees, the name, address, and identification number of the third party (in addition to the name, address, and EIN of the ALE member already required under the final regulations).

Some commenters requested that further explanation be provided regarding the meaning of the provision included in the proposed regulations asking whether an ALE member was conducting business. To clarify the intent, this provision is changed to require an ALE member, using an indicator code, to report any months during which no employees were providing services or otherwise being credited with hours of service for the ALE member.

Some commenters requested that employers not be required to report whether they expect to be an ALE member the following year. This comment is adopted in the final regulations.

Some commenters requested that employers be required to report information in addition to what was described in the proposed regulations. Commenters requested that employers be required to report information relating to the look-back measurement

*limited non-assessment period,* as defined in § 54.4980H–1(a)(26).

method for determining full-time employee status set forth in § 54.4980H–3(d). Specifically, commenters requested that employers be required to report on each variable hour employee who may be subject to the look-back measurement method. For variable hour employees, as defined in § 54.4980H–1(a)(49), commenters requested that employers be required to report the administrative and stability period start and end dates and length, as well as the months in which coverage was offered. Commenters also requested that the cost of coverage available to spouses and dependents be reported. Although Treasury and the IRS agree that this information may be helpful to employees and their spouses and dependents in certain circumstances, reporting such information on the section 6056 return is not necessary for the administration of the premium tax credit or section 4980H and is not directly relevant to the employee in determining whether the employee is eligible for a premium tax credit and is accurately claiming the credit on the employee's individual tax return. Accordingly, this suggestion is not incorporated in the final regulations.

Other commenters requested that the section 6056 return provide a means to indicate whether an employee is a tribal member who is exempt from the individual shared responsibility provision under section 5000A(e). Because an individual's exempt status for purposes of section 5000A is not relevant to the administration of the premium tax credit or section 4980H, this suggestion is not incorporated in the final regulations.

*C. Use of Indicator Codes To Provide Information With Respect to a Particular Full-Time Employee*

In an effort to simplify and streamline the section 6056 reporting process under the general section 6056 reporting rules, Treasury and the IRS anticipate that certain information described above as applied to a particular full-time employee will be reported to the IRS, and furnished to the full-time employee, through the use of a code rather than by providing specific or detailed information. Specifically, it is contemplated that the following information will be reported with respect to each full-time employee for each calendar month using a code: [11]

(1) Minimum essential coverage meeting minimum value was offered to:

a. the employee only;

b. the employee and the employee's dependents only;

c. the employee and the employee's spouse only; or

d. the employee, the employee's spouse and dependents;

(2) coverage was not offered to the employee and:

a. any failure to offer coverage will not result in a payment under section 4980H(a) or (b), for example because the employee was in a limited non-assessment period for certain employees, as defined in § 54.4980H–1(a)(26);

b. the employee was not a full-time employee;

c. the employee was not employed by the ALE member during that month; or

d. no other code or exception applies;

(3) coverage was offered to the employee for the month although the employee was not a full-time employee for that month;

(4) the employee was covered under the plan; and

(5) the ALE member met one of the affordability safe harbors under § 54.4980H–5(e)(2) with respect to the employee.

It is anticipated that if multiple codes apply with respect to a full-time employee for a particular calendar month, the reporting format will accommodate the necessary codes.

*D. Section 6056 Statements to Full-time Employees*

Under the general section 6056 reporting rules set forth in these regulations, every ALE member required to file a section 6056 return must furnish a section 6056 employee statement to each of its full-time employees that includes the name, address and EIN of the ALE member and the information required to be shown on the section 6056 return with respect to the full-time employee. The section 6056 employee statement is not required to include a copy of the transmittal form that accompanies the return. As part of the alternative reporting methods, in certain circumstances, other methods of furnishing information to an employee may be sufficient. For a detailed description of these alternative reporting methods, see section X of this preamble.

Some employers may wish to have the flexibility to use a substitute type of statement to provide the necessary information to full-time employees. These regulations provide that the section 6056 employee statement may be made by furnishing a copy of the section 6056 return on Form 1095–C (or another form the IRS designates) or a substitute employee statement for that full-time employee. Under these regulations, a substitute statement must include the information required to be shown on the section 6056 return filed with the IRS with respect to that employee and must comply with applicable revenue procedures or other published guidance relating to substitute statements. See § 601.601(d)(2). These regulations provide that section 6056 employee statements on Form 1095–C or another form the IRS designates may identify the employee using an IRS truncated TIN rather than the social security number or other identifying number of the employee shown on the corresponding information return filed with the IRS. See the proposed regulations on IRS Truncated Taxpayer Identification Numbers (REG–148873–09 [78 FR 913]).

*E. Time for Filing Section 6056 Returns and Furnishing Employee Statements*

1. In General

These regulations provide that section 6056 returns must be filed with the IRS annually, no later than February 28 (March 31 if filed electronically) of the year immediately following the calendar year to which the return relates. This is the same filing schedule applicable to other information returns with which employers are familiar, such as Forms W–2 and 1099. Because Notice 2013–45 provides transition relief for section 6056 reporting with respect to 2014, the first section 6056 returns required to be filed are for the 2015 calendar year and must be filed no later than March 1, 2016 (February 28, 2016, being a Sunday), or March 31, 2016, if filed electronically. In addition, the regulations provide that the section 6056 employee statements be furnished annually to full-time employees on or before January 31 of the year immediately following the calendar year to which the employee statements relate. This means that the first section 6056 employee statements (meaning the statements for 2015) must be furnished no later than February 1, 2016 (January 31, 2016, being a Sunday). However, see section X.C of this preamble for a discussion of the 2015 section 6056 transition relief available for employers eligible for the transition relief set forth in section XV.D.6 of the preamble to the final regulations under section 4980H (2015 section 4980H transition relief for employers with at least 50 and less than 100 full-time employees (including full-time equivalent employees) that meet certain conditions).

[11] Section XV of the preamble to the section 4980H final regulations provides certain transition relief for 2015. Treasury and the IRS anticipate that additional indicator codes will be available on the section 6056 return to indicate that an employer is using the transition relief.

Some commenters asked for use of an alternate filing date for employers whose health plan is not a calendar year plan. While Treasury and the IRS understand that employers may collect information on a plan year basis, employees will need to receive their section 6056 employee statements early in the calendar year in order to have the requisite information to correctly and completely file their income tax returns covering the calendar year and reflecting any available premium tax credit for that calendar year. For this reason, these regulations do not adopt this suggestion.

The final regulations do not include rules regarding extensions of the time to file section 6056 returns. This topic is addressed in the final regulations under section 6055, which include amendments to the regulations under section 6081 relating to general rules on extensions of time to file to include returns under both sections 6055 and 6056. The final section 6055 regulations cross-reference the amendments to the regulations under section 6081; these regulations also include this cross-reference.

2. Voluntary Reporting for Calendar Year 2014

Under Notice 2013–45 and the proposed regulations, in preparation for the application of the section 4980H provisions beginning in 2015, employers were encouraged to voluntarily comply for 2014 (that is, by filing and furnishing section 6056 returns and statements in early 2015) with the information reporting provisions as described in the proposed regulations, and to maintain or expand health coverage in 2014. At the time the notice and proposed regulations were issued, Treasury and the IRS anticipated that at least as to the general method of reporting, the final regulations would not differ significantly from the proposed regulations. While the information required to be provided to the IRS and furnished to employees has remained largely unchanged under the general method of reporting, in response to comments on the proposed regulations the format in which that information is provided has changed significantly to streamline the process and reduce administrative burden. Specifically, under the final regulations, as suggested in comments, all ALE members will file a single combined return providing the relevant section 6056 information and, as applicable, also the relevant section 6055 information.

Given this change in the information reporting provisions in response to commenters' feedback on the proposed regulations, employers that wish to voluntarily comply with the information reporting provisions with respect to 2014 should do so in accordance with these final regulations (generally meaning providing both section 6056 and, if applicable, section 6055 information on a single form). Treasury and the IRS continue to anticipate that real-world testing of reporting systems and plan designs, built in accordance with the terms of these final regulations, through voluntary compliance for 2014 will contribute to a smoother transition to full implementation for 2015.

*F. Manner of Filing of Section 6056 Information Returns and Furnishing of Section 6056 Employee Statements*

Treasury and the IRS understand that electronic filing is often easier and more efficient for taxpayers, and several commenters requested that employers be permitted to file section 6056 returns electronically. Some commenters requested that the proposed regulations be modified so that the section 6056 return would not be aggregated with other returns for purposes of determining whether the returns are required to be filed electronically. The final regulations adopt these suggestions. Consistent with other tax information reporting requirements, the final regulations require electronic filing of section 6056 information returns (Forms 1094–C and 1095–C) except for an ALE member filing fewer than 250 returns under section 6056 during the calendar year, and provide that only section 6056 returns are counted in applying the 250 return threshold for section 6056 reporting. The final regulations under section 6055, issued contemporaneously with these final regulations, amend § 301.6011–2 to add forms in the 1094 and 1095 series. Proposed § 301.6011–9 will be removed in a separate document.

Each section 6056 return for a full-time employee is counted as a separate return. ALE members filing fewer than 250 returns during the calendar year may choose to make the section 6056 returns on the prescribed paper form, but are permitted (and encouraged) to file section 6056 returns electronically. This requirement for electronic filing is the same as the current requirements for other information returns.

In addition to electronic filing, Treasury and the IRS understand that electronic methods are often a simpler and more efficient method to supply employees with the required information, and several commenters requested that employers be permitted to electronically furnish section 6056 employee statements to full-time employees. In response, the regulations permit electronic furnishing of section 6056 employee statements if notice, consent, and hardware and software requirements modeled on existing rules are met. To provide rules for electronic furnishing with which employers are already familiar, these final regulations, consistent with the proposed regulations, adopt a process substantially similar to the process currently in place for the electronic furnishing of employee statements (that is, Forms W–2) pursuant to section 6051 and applicable regulations.

Some commenters requested that ALE members be permitted simply to post the information on a Web site accessible to the employee (similar to the current process available to plan administrators of group health plans for furnishing Summary of Benefits and Coverage (SBCs)),[12] or to provide the information to an employee only upon request. Other commenters requested that the ALE member not be required to obtain consent to furnish the information electronically. For many employees, the information provided in the section 6056 employee statement will be essential to the accurate preparation of their individual tax return with respect to a claim for the premium tax credit. Because the employee's eligibility for the premium tax credit will be based on household income for that taxable year, which the employer will not know, the employer will not be able to determine the identity of the employees for which the section 6056 information is relevant. Moreover, given the individualized nature of the information required to be furnished to a full-time employee on a section 6056 employee statement and its intended use in preparing the

[12] The procedures for providing SBCs electronically via internet posting are found at 26 CFR 54.9815–2715(a)(4), 29 CFR 2590.715–2715(a)(4), and 45 CFR 147.200(a)(4). For participants and beneficiaries covered under the plan, the plan must meet the requirements of the Department of Labor's regulations at 29 CFR 2520–104b–1. Notably, the internet posting option is for SBCs provided by an issuer to a plan or by a plan to participants and beneficiaries who are eligible but not enrolled in coverage, and requires that the format of the posting be readily accessible, that the SBC is provided in paper form free of charge upon request, and that the issuer or plan provide timely notification by paper or email that the SBC is available on the internet and the internet address. *See* Q1 of FAQs about Affordable Care Act Implementation (Part IX), available at *http://www.dol.gov/ebsa/faqs/faq-aca9.html* and *http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/aca_implementation_faqs9.html,* which allows SBCs to be provided electronically to participants and beneficiaries in connection with their online enrollment or online renewal of coverage under the plan, and allows SBCs to be provided electronically to participants and beneficiaries who request an SBC online.

employee's individual tax return, permitting an employer to furnish such information electronically without first having obtained the employee's consent to such electronic furnishing would be inconsistent with the current procedures for other information returns. Unlike section 6056 employee statements that contain individualized information, SBCs are the same for a particular benefit package under the plan. For these reasons, the regulations require that with respect to each full-time employee to whom the information is required to be furnished, the ALE member must obtain consent from the employee before the section 6056 employee statement may be provided electronically.

With respect to the consent requirement, some ALE members requested that an employee's consent to receive the Form W–2 electronically be deemed a consent to also receive the employee statement under section 6056 electronically. Because an employee cannot provide an informed consent to receive a statement electronically about which he or she does not have information, and because the information furnished on the section 6056 employee statement will be relevant in determining the employee's eligibility for the premium tax credit, any consent given must specifically identify the section 6056 return. Additionally, the requirement for affirmative consent to receive section 6056 employee statements electronically is consistent with the requirements for other tax information returns (See §§ 1.6050S–2; 1.6050S–4; 31.6051–1(j); Rev. Proc. 2012–17, 2012–10 I.R.B. 453; 2014 General Instructions for Forms 1097, 1099, 1098, 3921, 3922, 5498, and W–2G, page 12). Accordingly, the final regulations are consistent with all other tax information reporting regulations and do not adopt this suggestion.

Some commenters also requested confirmation that the section 6056 employee statement and the section 6055 employee statement (if the section 6055 employee statement is provided by the ALE member) may be provided in the same mailing, and in the same mailing as the Form W–2, in cases in which two or more of those forms are provided by mailing to the same employee. Because the final regulations provide for ALE members to combine section 6055 and section 6056 reporting, ALE members will be providing only a single employee statement (with the section 6056 information and, with respect to employers with a self-insured group health plan, section 6055 information). Additionally, there is no requirement that employers mail information returns separately, and the regulations under sections 6051 do not prohibit furnishing in the same mailing as the Form W–2. Accordingly, employers are permitted to mail to an employee in the same mailing one or more of the required information returns such as the combined section 6055 and section 6056 employee statement and the Form W–2.

## X. Alternative Methods for Section 6056 Information Reporting for Eligible ALE Members

In developing these regulations, Treasury and the IRS have sought to develop alternative reporting methods that will minimize the cost and administrative tasks for employers, consistent with the statutory requirements to file an information return with the IRS and furnish an employee statement to each full-time employee. Comments suggested that, at least for some employers, the collection, assembling and processing of the necessary data into an appropriate format for filing may not be necessary if the employer offers sufficient coverage to make it unlikely that the employer will be subject to an assessable payment under section 4980H because its employees will generally be ineligible for a premium tax credit. In response to these concerns and as part of the development of the proposed regulations, Treasury and the IRS formulated certain potential simplified reporting methods described in section XI of the preamble to the proposed regulations and requested comments on those methods and on other possible simplified approaches that would minimize compliance costs while providing sufficient and timely information to individual taxpayers and the IRS. After considering all of the comments, Treasury and the IRS have formulated the alternative reporting methods described in this section X of the preamble as optional alternatives to the general reporting method.

The information provided to the IRS and the employee pursuant to section 6056 is important for administering section 4980H and the premium tax credit. However, in some circumstances, only some of the information required under the general method is necessary. Treasury and the IRS have identified specific groups of employees for whom alternative reporting would provide sufficient information, and alternative reporting approaches for these groups are outlined below. In many situations, not every full-time employee of an employer fits into the groups of employees for which an alternative reporting method is available. In that case, the employer would continue to use the general reporting method in the regulations for those full-time employees for whom an alternative reporting method is not applicable. Commenters noted that many employers, especially larger employers, may choose not to use an alternative reporting method because an insufficient number or an insufficient portion of their employees will be eligible for the alternative reporting method so that it is not advantageous to use. However, it is anticipated that many employers will find use of an alternative reporting method preferable to the general reporting method because a sufficient number of their employees will fit into one or more of the alternative method categories described below, and the more extensive reporting will be required only for a sufficiently limited number of their employees.

Subsections A through C of this section X of this preamble describe alternative methods of reporting under section 6056 that are permitted under these final regulations. Each of these methods is optional for the reporting employer, and, except as otherwise specified, does not affect any reporting obligations under section 6055.

Subsection A Reporting Based on Certification of Qualifying Offers

Subsection B Option To Report Without Separate Identification of Full-Time Employees If Certain Conditions Related to Offers of Coverage Are Satisfied (98 Percent Offers)

Subsection C Reporting for Applicable Large Employers With Fewer Than 100 Full-Time Employees Eligible for Transition Relief Under Section 4980H

Subsection D Combinations of Alternative Reporting Methods

### *A. Reporting Based on Certification of Qualifying Offers*

1. In General

Under the final regulations, an ALE member that satisfies specific requirements is permitted to certify that it offered certain coverage (a qualifying offer, as defined in this section X.A.1) to one or more of its full-time employees and to report simplified section 6056 return information with respect to those employees. Under this alternative method, the ALE member also could provide a simplified employee statement in lieu of a copy of the Form 1095–C to each full-time employee who received a qualifying offer for all 12 months of the calendar year. To be eligible to use this alternative method with respect to full-time employees, the

ALE member must certify that for all months during the year in which the employee was a full-time employee with respect to whom a section 4980H assessable payment could apply,[13] the ALE member (1) offered minimum essential coverage providing minimum value at an employee cost for employee-only coverage not exceeding 9.5 percent of the mainland single federal poverty line to one or more of its full-time employees, and (2) offered minimum essential coverage to the employee's spouses and dependents (a qualifying offer). For this purpose, the applicable federal poverty line is the federal poverty line as defined in § 54.4980H–1(a)(19), as calculated and applied to the 48 contiguous states and the District of Columbia. If the employee cost of the employee-only coverage does not exceed 9.5 percent of the mainland single federal poverty line, then, regardless of the size of the employee's household or other income or loss of any member of the employee's household, either the employer's coverage will be affordable for purposes of the premium tax credit or the employee's household income will be less than 100 percent of the federal poverty line so the employee will generally not be an applicable taxpayer for purposes of eligibility for the premium tax credit.

For this purpose, an ALE member is treated as offering coverage to an employee's spouse or dependents even if the employee does not have a spouse or dependent, provided that the employee would have been able to elect such coverage if the employee did have a spouse or dependent. Note that an ALE member utilizing the transition relief provided in the final section 4980H regulations pertaining to the offer of coverage to dependents in 2015 will not be treated as offering coverage to an employee's dependents for purposes of this alternative reporting method. Treasury and the IRS anticipate that the certification of eligibility based on the qualifying offer will be made as part of the section 6056 transmittal submitted by the ALE member.

Treasury and the IRS anticipate that an ALE member eligible for and using this certification method will provide further information depending on the circumstances of the qualifying offer. With respect to employees for whom the qualifying offer was made for all 12 months of the calendar year, Treasury and the IRS anticipate that the ALE member will be treated as reporting the required section 6056 information if it completes Form 1095–C by providing particular information about the employee, specifically the employee's name, social security number, and address, and indicates, using an indicator code, that a qualifying offer was made for all 12 months of the calendar year. In addition, the ALE member will be treated as fulfilling the requirement under section 6056 to furnish information to those employees if it provides each of them, by January 31 of the year following the year to which the offer applies, either a copy of the Form 1095–C filed with the IRS, or a general statement in a format prescribed by the IRS informing the employee that the employee, the employee's spouse (if any), and the employee's dependents (if any) received a qualifying offer for all 12 months of the calendar year for which the ALE member is reporting, and therefore the employee and the employee's spouse (if any) and dependents (if any) are generally ineligible for a premium tax credit for all of those 12 months.

Some ALE members may provide a qualifying offer for all 12 months of a calendar year to employees who are employed during the entire year, but are not full-time employees for one or more months during the calendar year. These ALE members may elect to report for these employees using the certification method, and to furnish those employees with a copy of Form 1095–C filed with the IRS or the prescribed statement, or may use the general reporting method with respect to those employees.

For each employee who received a qualifying offer for fewer than 12 months of the calendar year, for example because the full-time employee was an employee for fewer than 12 months of the calendar year (for example, because the employee was hired or terminated employment during the calendar year or was in a permissible waiting period under section 4980H or look-back measurement period under section 4980H for one or more months), the ALE member will file and furnish section 6056 returns and statements under the general reporting method. The ALE member will report information under the general reporting method for those months for which a qualifying offer was not received, but may use an indicator code to report for months for which the qualifying offer was received, in accordance with forms and instructions. However, see section X.A.2 of this preamble for an alternative method applicable to 2015.

2. Alternative Method Based on Certification of Qualifying Offers for 2015

Solely for 2015, an ALE member may use an alternative method as described below. To utilize this method the ALE member must (1) certify that it has made a qualifying offer (as described in section X.A.1) to at least 95 percent of its full-time employees and to their spouses and dependents, and (2) in lieu of providing a Form 1095–C (or another form the IRS designates) to its employees, satisfy its section 6056 furnishing requirement with respect to all of its full-time employees by furnishing a statement to each of its full-time employees, by January 31 of the year following the year to which the statement relates. The statement will be in a format prescribed by the IRS and the form of the statement may vary depending on whether the employee received a qualifying offer from the employer for all, some, or none of the months of the calendar year. As with section X.A.1, if the qualifying offer applied to an employee to all 12 months of the calendar year, it is anticipated that the statement will inform the employee that the employee and the employee's spouse (if any) and dependents (if any) will not be eligible to claim a premium tax credit for any of the twelve calendar months. If the qualifying offer did not apply to an employee for all 12 months of the calendar year, it is anticipated the statement will inform the employee that the employee and the employee's spouse (if any) and dependents (if any) may be eligible to claim a premium tax credit for one or more of the 12 calendar months. The statement furnished to the employee must include a contact name and contact telephone number for the ALE member from whom further information may be obtained regarding the offer of coverage that may affect the eligibility of the employee (or any spouse or dependents of the employee) for the premium tax credit. The contact name and telephone number can be a name and telephone number at the ALE member or at another entity, such as a third party administrator, that is authorized to provide information on behalf of the ALE member.

If the ALE member meets the two conditions described above, then the employer will be treated as reporting the required section 6056 information to the IRS if it files with the IRS Form 1095–C, providing the employee's name, social security number, and address, and indicates, using an indicator code,

[13] If the employee was not offered coverage by the employer, a section 4980H assessable payment might not apply, for example, for a month in which an employee was not a full-time employee or was in a permissible waiting period or initial measurement period under section 4980H and the associated regulations.

either that a qualifying offer was made for all 12 months or the specific months of the calendar year or it was not, and provides the statement to the employee. Further details will be provided in forms and instructions.

This alternative reporting method for 2015 is optional and an ALE member may use any other available reporting method.

*B. Option To Report Without Separate Identification of Full-Time Employees If Certain Conditions Related to Offers of Coverage Are Satisfied (98 Percent Offers)*

In section XI.B of the preamble to the proposed regulations, Treasury and the IRS stated that they understand that some employers offer minimum essential coverage to all or nearly all of their employees, and are able to accurately represent that the only employees not offered coverage are also not full-time employees. An employer making an offer of minimum essential coverage to all of its full-time employees would not owe an assessable payment under section 4980H(a), which requires such an offer only to 95 percent of an employer's full-time employees. See § 54.4980H–4(a). However, while the employer might know that it is offering such coverage to a group consisting of almost all of its full-time employees and some of its other employees, the employer might not have determined, in the case of each employee in the offeree group, whether that employee is, in fact, a full-time employee or not. This might arise, for example, if an employer offers such coverage to all of its employees whose hours of service average at least 20 hours per week. Section XI.B of the preamble to the proposed regulations suggested a possible approach under which employers offering coverage to 100 percent of their full-time employees would be permitted to provide section 6056 reporting without determining whether each employee offered coverage is a full-time employee and without specifying the number of the employer's full-time employees.

Some commenters requested that eligibility to use this simplified method be expanded to include an employer that can represent that it offered coverage to substantially all of its full-time employees, and requested that ''substantially all'' be defined for this purpose as at least 95 percent of the full-time employees. These commenters suggested that while some employers may be able to certify that they meet a 100 percent offer standard, other, especially larger, employers could not be certain that an offer had been extended to every full-time employee (including employees who were full-time employees for only certain months of the year).

In response to these concerns, the final regulations relax the condition on use of this simplified method, which allows the employer to report without identifying or specifying the number of full-time employees. To be eligible to use this method under the final regulations, an employer must certify on its transmittal form that it offered, to at least 98 percent of the employees on whom it reports in its section 6056 return. For this purpose, coverage is treated as affordable if the cost of employee-only coverage satisfies any applicable affordability safe harbor under the section 4980H final regulations. Setting the level at 98 percent will help ensure that the employer has offered coverage to at least 95 percent of its full-time employees and therefore is not subject to an assessable payment under section 4980H(a), without knowing which reported employees are full-time and which are part-time. While this alternative method allows reporting without identifying or specifying the number of full-time employees, it does not exempt the employer from any penalties that might apply for failure to report with respect to any full-time employee. Thus, reporting is still required under the normal rules for all full-time employees, including those employees not offered coverage. Accordingly, to the extent the employer fails to report with respect to any full-time employee, the alternative method described here will not affect the application of any generally applicable penalties for failure to report (subject to any relief that might be provided for under these regulations or other applicable guidance), and the possible application of any such penalties will not preclude the employer from using this simplified alternative method if the employer satisfies the 98 percent condition.

As noted, the 98 percent offer is required to provide minimum value and be affordable for purposes of section 4980H to avoid overburdening employers and the IRS with the need to determine at a later date whether a substantial number of employees who received a premium tax credit were full-time employees. If an employer were permitted to report under section 6056 on a large number of employees who were offered coverage that either was not minimum value or not affordable, the reporting could include large numbers of employees who may well be eligible to claim a premium tax credit on the Exchange, without identifying the employee's status as a full-time employee. In such a case, both employers and the IRS would be overburdened with the process of determining at a later date whether any employees who received a premium tax credit were full-time employees with respect to whom the employer is liable for an assessable payment under section 4980H(b). The 98 percent standard helps avoid the need for excessive inquiries to employers as to whether particular employees claiming a premium tax credit were full-time employees.

*Example:* Employer has 1,000 employees who are expected to have at least 27 hours of service per week in a calendar year. Employer does not want to determine which of these employees are full-time employees for purposes of section 4980H. Before the start of the year, Employer makes an offer of minimum essential coverage providing minimum value that is affordable for section 4980H purposes to 990 of these 1,000 employees and reports under section 6056 for all 1,000 employees. Because Employer has satisfied the conditions set forth in this section X.B, Employer is not required to report either the total number of full-time employees for the year or whether any particular employee was a full-time employee for any calendar month during the year. If an employee included as part of the return declines the offer of coverage and properly claims a premium tax credit with respect to coverage provided through an Exchange for one or more months during the calendar year, and the employer is contacted by the IRS to determine whether the employer did or did not owe an assessable payment under section 4980H(b), the employer could determine at that point whether the employee was a full-time employee for those months and supply that information to the IRS.

*C. Reporting for Applicable Large Employers With Fewer Than 100 Full-Time Employees Eligible for Transition Relief Under Section 4980H*

To assist applicable large employers that are in the smaller size range, such as those with at least 50 full-time employees but fewer than 100 full-time employees (including full-time equivalent employees), in transitioning into compliance with section 4980H, the final regulations provide transition relief from section 4980H for 2015 (plus, in the case of any non-calendar plan year that begins in 2015, the portion of the 2015 plan year that falls in 2016). See section XV.D.6 of the preamble to the final regulations under section 4980H for a description of eligibility conditions for transition relief. (Note section 4980H does not apply to employers with fewer than 50 full-time employees (including full-time equivalent employees)). Employers

eligible for this section 4980H transition relief will still report under section 6056 for 2015 in accordance with these final regulations.

As part of this transition relief, the ALE member must certify on its section 6056 transmittal form for calendar year 2015 (that is, for the section 6056 transmittal form that will be filed in 2016), as prescribed by the form and instructions, that it meets the eligibility requirements set forth in section XV.D.6(a)(1) through (3) of the preamble to the final regulations under section 4980H. ALE members with non-calendar year plans will certify with regard to their 2015 plan year, including the months of their 2015 plan year that fall in calendar year 2015, on the section 6056 transmittal form for 2015 (that is for the section 6056 transmittal form that will be filed in 2016), and will certify with regard to the months of their 2015 plan year that fall in calendar year 2016 on the section 6056 transmittal form for 2016 (that is the section 6056 transmittal form that will be filed in 2017).

*D. Combinations of Alternative Reporting Methods*

The alternative reporting methods described above would apply to particular groups of employees that in many cases would not be identical. An employer is permitted to use different alternative reporting methods for different employees at the employer's election, as specified in forms and instructions.

**XI. Other Possible Alternative Methods Not Adopted in the Final Regulations**

*A. Mandatory Self-Insured No-Cost Minimum Value Coverage*

In section IX.B of the preamble to the proposed regulations, Treasury and the IRS stated they were considering whether employers that provide mandatory minimum value coverage to an employee, an employee's spouse, and an employee's dependents, with no employee contribution, could file and furnish only the return required under section 6055, include a code on the employee's Form W–2, and complete only summary information on the section 6056 transmittal form.

This alternative method of reporting was not adopted because its use would leave gaps in information needed for tax administration of the premium tax credit, in particular because codes will not be used on the Form W–2 to report months of mandatory minimum essential coverage providing minimum value.

However, an ALE member that offers no-cost minimum essential coverage providing minimum value coverage to all of its employees will not be liable for a potential assessable payment under section 4980H for any month in which an employee received such an offer. Thus, ALE members will be treated as reporting the required section 6056 information if the employer files a Form 1095–C statement and provides particular information about the employee, specifically the employee's name, social security number, and address, and indicates using a code if the coverage was offered for all 12 calendar months or for some months of the year if, for example, the employee was not full-time in certain months or was no longer employed. The employer must also furnish each employee a copy of the Form 1095–C filed with the IRS. See also section X.A.1., Reporting Based on Certification of Qualifying Offers, of this preamble for a description of alternative reporting available.

If a self-insured employer is an ALE member, the employer will report the coverage information on the part of the Form 1095–C that is required under section 6055. If the ALE member offers no cost mandatory minimum essential coverage providing minimum value to all its employees, it will use an indicator code on the Form 1094–C transmittal to indicate that it offered this type of coverage. Self-insured employers that are not ALE members will file the section 6055 information return under section 6055. Further details will be provided in forms and instructions.

*B. Eliminating Section 6056 Employee Statements in Favor of Form W–2 Reporting for Certain Groups of Employees Offered Coverage*

The proposed regulations outlined a possible alternative reporting method under which employers would be permitted in certain circumstances to report offers of minimum value coverage on Form W–2, in accordance with the form and instructions, instead of reporting the offers to the IRS on a section 6056 return or furnishing a section 6056 employee statement to the employee. The proposed regulations specified that this possible alternative method, if permitted, could be used only for an employee employed by the employer for the entire calendar year in which the offer, the individuals to whom the offer is made, and the employee contribution for the lowest-cost option for self-only coverage providing minimum value, all remained the same for all twelve months of the calendar year.

Commenters indicated that such a proposed alternative reporting method, if permitted, would need to be expanded to be available for employees offered coverage under their employer's plan for less than a full calendar year or for whom the offer of coverage changed during the calendar year in order to be useful. Specifically, commenters suggested that additional codes or other modifications to the Form W–2 should be made so that the alternative reporting method could be extended to employees who were not employed for the entire calendar year or not employed as full-time employees during the entire calendar year, were not offered coverage for the entire calendar year, or for whom the cost of coverage changed during the calendar year.

Expanding the alternative reporting method as requested would leave gaps in information that is needed for tax administration. For example, if used for employees who were not employed during the full calendar year, the reporting would not provide any information regarding the particular calendar months for which coverage was offered (or not offered). Even if the employer represented that the coverage was offered during all periods of employment, the reporting could not be reconciled, for example, with another Form W–2 received by the employee from another employer using the same reporting method. That is because while both employers would report the number of months coverage was offered, that information would not be sufficient to determine whether offers of coverage were overlapping (because the employee was employed simultaneously at both employers). Additionally, for months for which coverage was not offered, information as to whether the employee was employed and also the reason coverage was not offered during certain months of the calendar year would not be captured (for example, the employee was in a permissible waiting period under section 4980H or employed but not as a full-time employee).

The specific reason coverage was not offered is relevant to the administration of section 4980H because the failure to offer coverage for certain reasons does not result in an assessable payment under section 4980H for a calendar month, even if the full-time employee receives a premium tax credit for that month. More codes and other data to be reported on the Form W–2 would be needed to administer section 4980H and the premium tax credit.

Commenters noted that, unless expanded, this proposed alternative reporting method would be of little use to most large employers.

Other commenters suggested that the increase in complexity and, in some cases, modifications to the Form W–2, should not be made because the Form W–2 is such an established and integral part of the payroll and tax system. These commenters noted that revising Form W–2 would result in additional administrative burden and substantial added cost to employers given the need to modify the payroll and online systems and could result in delayed furnishing of Forms W–2 to employees or require corrected Forms W–2 to account for new information related to offers of coverage. Commenters further noted that revised Forms W–2 could create confusion among employees, particularly since the addition of information related to offers of coverage would likely result in an increase in the number of pages of the Form W–2, requiring time for employees to understand the changes, and possibly resulting in disruptions in the preparation of individual tax returns. Treasury and the IRS agree with the commenters that the suggested expansions of this alternative reporting method are in some cases not feasible, and in other cases do not provide sufficient administrative simplification to warrant the proposed increase in the complexity of the data reported on the Form W–2. Given that it is not feasible to expand this proposed alternative method, that commenters indicated the method is not workable as proposed because it does not reduce cost or burden for employers, and that other simplified reporting methods are available, including the combination of section 6055 and section 6056 reporting for employers, the final regulations do not adopt this alternative reporting method.

*C. Voluntarily Reporting Section 6056 Elements During or Prior to the Year of Coverage*

Some commenters have expressed an interest in voluntarily reporting information about the coverage they offer their employees prior to the end of a coverage year, for example at their open enrollment or before the open enrollment at the Exchanges, on the theory that earlier section 6056 reporting to the IRS could lead to greater efficiency in the employer verification system employed by Exchanges to determine eligibility for premium tax credits.

A proposal of this kind would need to address a number of issues. The regulations under section 6103 do not authorize the IRS to share taxpayer information in this manner. Even if this information sharing were permitted, individuals would not receive the information for their tax return preparation proximate to when they are completing their tax returns. In addition, the information about the offer of coverage before the year starts may change during the calendar year. Gaps in complete and timely information increase the need for additional follow-up communication among employers, employees, and the IRS.

Also, offering 2 sets of reporting alternatives with filing occurring at different time periods would present challenges. Because the reporting options would be voluntary, different reporting protocols and regimes would need to be established and would need to accommodate employer choices to change the method of reporting from year to year. The multiple forms, procedures, and protocols would create complexity and be difficult to administer. Accordingly, the final regulations do not adopt this approach.

*D. Reporting for Employees Potentially Ineligible for the Premium Tax Credit*

Some commenters have requested an exemption from reporting for employers that have many employees who are relatively highly paid, on the theory that those employees are unlikely to be eligible for a premium tax credit. The assumption is that a relatively highly paid employee's household income is likely to exceed 400 percent of the federal poverty line and therefore the employee is unlikely to qualify for a premium tax credit. The precondition of a section 4980H(b) assessable payment—that the employee receive a premium tax credit—is unlikely to be satisfied.

Treasury and the IRS have considered this request and have concluded that such an exemption would not be useful for many employers or administrable. Employers would not be in a position to know the correlation between an employee's Form W–2 wages and household income with sufficient accuracy to determine whether an employee may be eligible for the premium tax credit. The only pertinent information the employer retains is the employee's annual wages, yet the poverty level from which the premium tax credit income ceiling is determined varies considerably based on family size (which employers may not know). In addition, employees for whom an employer may use an affordability safe harbor based on wages for purposes of compliance with section 4980H might still be eligible for a premium tax credit based on their household income.

The preamble to the proposed regulations requested comments as to whether there is a level of Form W–2 wages at which such a determination might be made with sufficient confidence, and whether that level of wages would be so high as not to be of practical use to employers. Comments indicated that some employers would be interested in exploring options that would permit them to not file a section 6056 return for an employee if, for example, the employee's wages were $150,000, except if the employer has actual knowledge that the coverage would be unaffordable to the employee's family. Other commenters indicated that if additional follow-up would be required it would create further economic and administrative burden, such that it would be doubtful that the method would be utilized. Additionally, the vast majority of employers would be required to report with respect to at least some full-time employees with lower income than this threshold. Accordingly, the final regulations do not adopt this suggestion.

**XII. Person Responsible for Section 6056 Reporting**

Under the regulations, in general, each ALE member must file a section 6056 return with respect to its full-time employees for a calendar year.

*A. Special Rules for Governmental Units: Designation*

In accordance with section 6056(e), these regulations provide that in the case of any ALE member that is a governmental unit or any agency or instrumentality thereof (together referred to in this preamble as a governmental unit), that governmental unit may report under section 6056 on its own behalf or may appropriately designate another person or persons to report on its behalf.[14] For purposes of designation, another person is appropriately designated for purposes of the filing and furnishing requirements of section 6056 if that other person is part of or related to the same governmental unit as the ALE member. For example, a political subdivision of a state may designate the state, another political subdivision of the state, or an agency or instrumentality of the foregoing as the designated person for purposes of section 6056 reporting. The person designated might be the governmental unit that operates the relevant health plan or the governmental unit that does other

[14] Until further guidance is issued, government entities, churches, and a convention or association of churches may apply a reasonable, good faith interpretation of section 414(b), (c), (m), and (o) in determining whether a person or group of persons is an applicable large employer.

information reporting on behalf of the designating governmental unit. If the designation is accepted by the designee and is made before the filing deadline, the designated governmental unit is the designated entity responsible for section 6056 reporting.

The person (or persons) appropriately designated for this purpose would report under section 6056 on behalf of the ALE member. Accordingly, the person (or persons) appropriately designated is (are) the person(s) responsible for section 6056 reporting on behalf of the ALE member and subject to the penalties for failure to comply with information return requirements under sections 6721 and 6722. However, the ALE member remains subject to section 4980H.

Under these regulations, a separate section 6056 return must be filed for each ALE member for which the appropriately designated person is reporting. The designated entity would provide the name of both the designated entity and the ALE member for which it is reporting. Additionally, the regulations require that there be a single identified section 6056 transmittal (Form 1094–C) reporting aggregate employer-level data for all full-time employees of the ALE member (including full-time employees of the ALE member the reporting for which has been transferred to a designated person), and that there be only one section 6056 employee statement (Form 1095–C) for each full-time employee of the ALE member with respect to employment with that ALE member. Further details will be provided in forms and instructions.

These regulations further provide that the designation under section 6056(e) must be in writing, must contain certain language, must be signed by both the ALE member and the designated person, and must be effective under all applicable laws. These regulations also require that the designation set forth the name and EIN of the designated person, and appoint that person as the person responsible for reporting under section 6056 on behalf of the ALE member. The designation must contain information identifying the category of full-time employees (which may be full-time employees eligible for a specified health plan, or in a particular job category, provided that the specific employees covered by the designation can be identified) for which the designated person is responsible for reporting under section 6056 on behalf of the ALE member. If the designated person is responsible for reporting under section 6056 for all full-time employees of an ALE member, the designation should so indicate.

The designation must also contain language that the designated person agrees that it is the appropriately designated person under section 6056(e), and an acknowledgement that the designated person is responsible for reporting under section 6056 on behalf of the ALE member and subject to the requirements of section 6056 and the information reporting penalty provisions of sections 6721 and 6722. The designation must also set forth the name, address, and EIN of the ALE member, identifying the ALE member as the person subject to the requirements of section 4980H. These regulations provide that an equivalent applicable statutory or regulatory designation containing similar language will be treated as a written designation for purposes of section 6056(e). The designation will not be submitted to the IRS and should be maintained under the normal record-retention rules under section 6103.

*B. ALE Members Participating in Multiemployer Plans*

Several commenters noted that the unique structure of many multiemployer plans means that some of the information relevant to the section 6056 return, such as the employee contribution (if any) for the lowest-cost self-only coverage providing minimum value, is held by the multiemployer arrangement. On the other hand, some of the information relevant to the section 6056 return, such as whether a participant is a full-time employee for a particular month, is held by the ALE member. As noted by commenters, this may make the preparation, filing, and furnishing of the returns challenging.

In response to this operating structure and its impact on the administration of section 4980H, section XV.E of the preamble to the final regulations under section 4980H provides that until further guidance is issued, employers generally will be treated as having met their obligations under section 4980H with respect to a full-time employee if the employer is required by a collective bargaining agreement (or appropriate related participation agreement) to contribute on behalf of that employee to a multiemployer plan that provides coverage, to individuals who satisfy the plan's eligibility conditions, meeting the affordability and minimum value requirements and that offers coverage to those individuals' dependents. Commenters to the section 6056 proposed regulations noted that an employer could also provide this information with respect to its full-time employees and thereby provide the information to the IRS that is relevant to the administration of section 4980H. However, that reporting would not provide all the relevant information needed to administer the premium tax credit because the employer's contribution to the multiemployer plan on behalf of an employee for a particular calendar month may not necessarily align with whether the plan offered coverage to that particular full-time employee, nor would it provide the amount of the required employee contribution for the lowest-cost self-only coverage providing minimum value.

Some commenters requested that the regulations apply the reporting requirement to the multiemployer plan; however, section 6056 applies the reporting and furnishing requirements only to the employer and not the relevant plan in which the employee participates. In the alternative, commenters requested that the regulations require the multiemployer plan to transfer any information to which it has access that is required to be reported under section 6056 to the contributing employer in a timely manner and form. However, there is no authority under section 6056 or elsewhere in the Code that would permit imposing such a requirement on a multiemployer plan. Furthermore, given that section 6056 does not apply to the multiemployer plan, and that the return relates to the employer's potential liability under section 6056, Treasury and the IRS do not have the statutory authority to transfer the reporting obligations from the relevant employer to the multiemployer plan.

Some commenters suggested that the multiemployer plan be permitted to submit the section 6056 return on behalf of the contributing employers. Treasury and the IRS understand that the plan administrator of a multiemployer plan may have better access than a participating employer to certain information on eligible employees required to be included as part of section 6056 reporting. For this reason, section 6056 reporting with respect to full-time employees on behalf of whom an ALE member contributed to a multiemployer plan is permitted under an approach whereby the multiemployer plan administrator would prepare returns pertaining to the full-time employees covered by the collective bargaining agreement eligible to participate in the multiemployer plan and the ALE member would prepare returns pertaining to the remaining full-time employees (those who are not

eligible to participate in a multiemployer plan). The administrator of the multiemployer plan would file a separate section 6056 return for each ALE member that is a contributing employer on behalf of whom it files, providing the name, address, and identification number for both the plan and the ALE member for whom it is reporting. In addition, the multiemployer plan may assist the employer in furnishing statements to the employees.

The regulations also require that there be a single identified section 6056 transmittal (Form 1094–C) reporting aggregate employer-level data for all full-time employees of the ALE member (including full-time employees of the ALE member the reporting for which was done by a multiemployer plan), and that there be only one section 6056 employee statement (Form 1095–C) for each full-time employee of the ALE member with respect to the employee's employment with the ALE member. Further details will be provided in forms and instructions.

The ALE member would remain the responsible person under section 6056 with respect to all of its full-time employees and accordingly would be subject to any potential liability for failure to properly file returns or furnish statements. To the extent the plan administrator that prepares returns or statements required under section 6056 is a tax return preparer, it is subject to the requirements generally applicable to return preparers. See section XII.C for information about third party reporting.

*C. Section 6056 Reporting Facilitated by Third Parties*

Treasury and the IRS understand that third party administrators or other third party service providers are integral to the operation of many employers' health plans, including with respect to compliance with any reporting requirements. As requested by several commenters, ALE members are permitted to contract with and use third parties to facilitate filing returns and furnishing employee statements to comply with section 6056, although ALE members remain responsible for reporting under section 6056, with the exception of certain governmental unit applicable large employers that properly designate under section 6056(e). While these regulations do not provide guidance on contractual or other reporting arrangements between private ALE members and other parties, they do not prohibit these arrangements. Such contractual arrangements would not transfer the potential liability of the ALE member for failure to report and furnish under section 6056 and the regulations, or the ALE member's potential liability under section 4980H. To the extent the other party that prepares returns or statements required under section 6056 is a tax return preparer, it will be subject to the requirements generally applicable to return preparers.

As one example, an ALE member that is a member of an aggregated group of related entities (determined under section 414(b), 414(c), 414(m) or 414(o)) may facilitate the filing of returns and the furnishing of employee statements on behalf of one or more of the other ALE members of the aggregated group. Each other ALE member of the group, for example, could have the ALE member that operates the employer-sponsored plan facilitate the filing of section 6056 returns and furnish section 6056 employee statements on its behalf.

In general, a separate section 6056 return must be filed for each ALE member, providing that ALE member's EIN. If more than one third party is facilitating reporting for an ALE member, for example, because the ALE member has contracted with two or more third parties each of which will facilitate reporting with respect to certain groups of the ALE member's employees, or if the ALE member reports with respect to some of its employees and has a third party report with respect to other employees, there must be one authoritative section 6056 transmittal (Form 1094–C) reporting aggregate employer-level data for all full-time employees of the ALE member. Additionally, there must be only one section 6056 employee statement (Form 1095–C) for each full-time employee with respect to each employee's employment with the ALE member, so that all required information for a particular full-time employee of the applicable large employer member is reflected on a single Form 1095–C. Further details will be provided in forms and instructions to accommodate third parties in facilitating section 6056 reporting for ALE members (including for third party service providers and multiemployer plan administrators).

**XIII. Applicability of Information Return Penalties and Penalty Relief for 2015**

These regulations provide that an ALE member that fails to comply with the section 6056 information return and employee statement requirements may be subject to the general reporting penalty provisions under sections 6721 (failure to file correct information returns), and 6722 (failure to furnish correct payee statement). These regulations also provide, however, that the waiver of penalty and special rules under section 6724 and the applicable regulations, including abatement of information return penalties for reasonable cause, apply. The final regulations under section 6055 include amendments to the regulations under sections 6721 and 6722 to include returns under both sections 6055 and 6056 in the definitions of information return and payee statement. The final regulations under section 6056 cross-reference those amendments to the regulations under sections 6721 and 6722.

In implementing new information reporting requirements, short term relief from penalties frequently is provided. This relief generally allows additional time to develop appropriate procedures for collection of data and compliance with these new reporting requirements. After considering the comments received, the IRS will not impose penalties under sections 6721 and 6722 on ALE members that can show they make good faith efforts to comply with the information reporting requirements. Specifically, relief from penalties is provided under sections 6721 and 6722 for returns and statements filed and furnished in 2016 to report offers of coverage in 2015, but only for incorrect or incomplete information reported on the return or statement, including social security numbers. No relief is provided in the case of ALE members that do not make a good faith effort to comply with these regulations or that fail to timely file an information return or statement. However, ALE members that fail to timely meet the requirements of these regulations may be eligible for penalty relief if the IRS determines that the standards for reasonable cause under section 6724 are satisfied.

**Effective/Applicability Dates**

These regulations are effective March 10, 2014. These regulations apply for calendar years beginning after December 31, 2014. Consistent with Notice 2013–45, reporting entities will not be subject to penalties for failure to comply with the section 6056 information reporting provisions for 2014 (including the provisions requiring the furnishing of employee statements in 2015 with respect to 2014). Accordingly, a reporting entity will not be subject to penalties if it first reports beginning in 2016 for 2015 (including the furnishing of employee statements). Taxpayers are encouraged, however, to voluntarily comply with section 6056 information reporting for 2014 by using any of the available reporting methods set forth in these final regulations.

**Special Analyses**

It has been determined that this Treasury decision is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. Chapter 5) does not apply to these regulations.

Sections 603 and 604 of the Regulatory Flexibility Act (5 U.S.C. Chapter 6) (RFA) generally require agencies to prepare a regulatory flexibility analysis addressing the impact of proposed and final regulations, respectively, on small entities. Section 605(b) of the RFA, however, provides that sections 603 and 604 shall not apply if the head of the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. For the reasons set forth in the following paragraphs, it is hereby certified that these regulations will not have a significant economic impact on a substantial number of small entities.

The regulations under sections 6011 and 6056 affect employers that are applicable large employers, as defined in section 4980H(c)(2). Some small entities fall into this category. Therefore, it has been determined that these regulations will affect a substantial number of small entities. It has also been determined, however, that the economic impact on entities affected by these regulations will not be significant.

The regulations implement the underlying statute and the economic impact is principally a result of the underlying statute, rather than the regulations. The regulations direct employers that are applicable large employers to file information returns with the IRS and to furnish statements to employees providing information as required by section 6056. Specifically, the regulations require applicable large employers, as defined in section 4980H(c)(2), to file a return with the IRS for each full-time employee reporting certain information regarding the health care coverage offered and provided to the employee for the year. The regulations further require applicable large employers to furnish to each full-time employee a copy of the return, or a substitute statement, required to be filed by the applicable large employer with respect to the employee. As discussed in the Summary of Comments and Explanation of Provisions section of the preamble to this Treasury Decision, Treasury and the IRS engaged in dialogue with stakeholders. The final regulations address certain concerns that were expressed by those stakeholders and minimize the cost and administrative steps associated with the reporting requirements. Specifically, the regulations limit the reporting requirements on applicable large employers by only requiring them to file and furnish information that is necessary for the IRS to administer section 4980H and the premium tax credit, and information employees will need in order to complete their tax returns. Additionally, the regulations limit the reporting requirements by providing for alternative optional reporting methods for certain employers that will permit in certain situations an employer to provide more limited information on its return and employer statement, thus lowering that employer's burden.

Based on these facts, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. Chapter 6) is not required.

Pursuant to section 7805(f) of the Code, the proposed regulations preceding these regulations were submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

**Drafting Information**

The principal author of these regulations is Ligeia M. Donis of the Office of the Division Counsel/Associate Chief Counsel (Tax Exempt and Government Entities). However, other personnel from the IRS and Treasury participated in their development.

**List of Subjects**

*26 CFR Part 301*

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

*26 CFR Part 602*

Reporting and recordkeeping requirements.

**Adoption of Amendments to the Regulations**

Accordingly, 26 CFR parts 301 and 602 are amended as follows:

## PART 301—PROCEDURE AND ADMINISTRATION

■ **Paragraph 1.** The authority citation for part 301 continues to read in part as follows:

**Authority:** 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 301.6056–1 is added to read as follows:

**§ 301.6056–1 Rules relating to reporting by applicable large employers on health insurance coverage offered under employer-sponsored plans.**

(a) *In general.* Section 6056 requires an applicable large employer subject to the requirements of section 4980H to report certain health insurance coverage information to the Internal Revenue Service, and to furnish certain related employee statements to its full-time employees. Paragraph (b) of this section contains definitions for purposes of this section. Paragraph (c) of this section prescribes general rules for filing the required information with the IRS and furnishing the required employee statements to employees. Paragraphs (d) and (e) of this section describe the information required to be reported on a section 6056 information return and the time and manner for filing. Paragraph (f) of this section provides information about the statement required to be furnished to a full-time employee. Paragraph (g) of this section prescribes the time and manner of furnishing the statement, including extensions of time to furnish, to a full-time employee. Paragraph (h) addresses corrections of returns. Paragraph (i) of this section describes the information return penalties applicable to section 6056 returns. Paragraph (j) of this section describes alternative reporting methods available to certain applicable large employers with certain employees. Paragraph (k) of this section describes certain special rules applicable to applicable large employers that are governmental units.

(b) *Definitions*—(1) *In general.* The definitions in this paragraph (b) apply for purposes of this section.

(2) *Applicable large employer.* The term *applicable large employer* has the same meaning as in section 4980H(c)(2) and § 54.4980H–1(a)(4) of this chapter.

(3) *Applicable large employer member.* The term *applicable large employer member* has the same meaning as in § 54.4980H–1(a)(5) of this chapter.

(4) *Dependent.* The term *dependent* has the same meaning as in § 54.4980H–1(a)(11) of this chapter.

(5) *Eligible employer-sponsored plan.* The term *eligible employer-sponsored plan* has the same meaning as in section 5000A(f)(2) and § 1.5000A–2(c)(1) of this chapter.

(6) *Full-time employee.* The term *full-time employee* has the same meaning as in section 4980H and § 54.5980H–1(a)(21) of this chapter, as applied to the determination and calculation of liability under section 4980H(a) and (b) with respect to any individual employee, and not as applied to the

determination of status as an applicable large employer, if different.

(7) *Governmental unit.* The term *governmental unit* refers to the government of the United States, any State or political subdivision thereof, or any Indian tribal government (as defined in section 7701(a)(40)) or subdivision of an Indian tribal government (as defined in section 7871(d)).

(8) *Agency or instrumentality of a governmental unit.* [Reserved]

(9) *Minimum essential coverage.* The term *minimum essential coverage* has the same meaning as in section 5000A(f) and the regulations issued under that section.

(10) *Minimum value.* The term *minimum value* has the same meaning as in section 36B and any applicable regulations.

(11) *Person.* The term *person* has the same meaning as in section 7701(a)(1) and applicable regulations.

(c) *Content and timing of reporting by applicable large employer members.*—(1) *In general.* Each applicable large employer member required to make a return and furnish a related statement to its full-time employees under section 6056 for a calendar year must make a return and furnish the related statement using such form(s) as may be prescribed by the Internal Revenue Service. An applicable large employer member will satisfy its reporting requirements under section 6056 if it files with the Internal Revenue Service a return for each full-time employee using Form 1095–C or another form the IRS designates, and a transmittal form using Form 1094–C or another form the IRS designates, as prescribed in this section and in the instructions to the forms. Each Form 1095–C and the transmittal Form 1094–C will together constitute an information return to be filed with the Internal Revenue Service.

(2) *Reporting facilitated by third parties.* A separate section 6056 information return must be filed for each applicable large employer member. If more than one section 6056 information return is being filed for an applicable large employer member, there must be one authoritative section 6056 transmittal (Form 1094–C) reporting aggregate employer-level data for all full-time employees of the applicable large employer member, in accordance with forms and instructions. Additionally, there must be only one section 6056 employee statement (Form 1095–C) for each full-time employee with respect to that full-time employee's employment with the applicable large employer member, so that all required information for a particular full-time employee of the applicable large employer member is reflected on a single Form 1095–C.

(d) *Information required to be reported to the Internal Revenue Service*—(1) *In general.* Except as provided in paragraph (j) of this section (relating to alternative reporting methods for eligible applicable large employer members), every applicable large employer member must make a section 6056 information return with respect to each full-time employee. Each section 6056 information return must show—

(i) The name, address, and employer identification number of the applicable large employer member,

(ii) The name and telephone number of the applicable large employer member's contact person,

(iii) The calendar year for which the information is reported,

(iv) A certification as to whether the applicable large employer member offered to its full-time employees (and their dependents) the opportunity to enroll in minimum essential coverage under an eligible employer-sponsored plan, by calendar month,

(v) The months during the calendar year for which minimum essential coverage under the plan was available,

(vi) Each full-time employee's share of the lowest cost monthly premium (self-only) for coverage providing minimum value offered to that full-time employee under an eligible employer-sponsored plan, by calendar month;

(vii) The number of full-time employees for each month during the calendar year,

(viii) The name, address, and taxpayer identification number of each full-time employee during the calendar year and the months, if any, during which the employee was covered under the plan, and

(ix) Any other information specified in forms, instructions, or published guidance, see §§ 601.601(d) and 601.602 of this chapter.

(2) *Form of the return.* A return required under this paragraph (d) may be made on Forms 1094–C and 1095–C or other form(s) designated by the Internal Revenue Service, or a substitute form. A substitute form must include the information required to be reported on Forms 1094–C and 1095–C and must comply with applicable revenue procedures or other published guidance relating to substitute statements. See § 601.601(d)(2) of this chapter.

(e) *Time and manner for filing return.* An applicable large employer member must file the return and transmittal form required under paragraph (d)(2) of this section on or before February 28 (March 31 if filed electronically) of the year succeeding the calendar year to which it relates in accordance with any applicable guidance and the instructions to the form. An applicable large employer member must file the return and transmittal form at the address specified on the return form or its instructions. For extensions of time for filing returns under this section, see §§ 1.6081–1 and 1.6081–8 of this chapter. See § 301.6011–2 for rules relating to electronic filing.

(f) *Statements required to be furnished to full-time employees*—(1) *In general.* Except as provided in paragraph (j) of this section, every applicable large employer member required to file a return under section 6056 must furnish to each of its full-time employees identified on the return a written statement showing—

(i) The name, address and employer identification number of the applicable large employer member, and

(ii) The information required to be shown on the section 6056 return with respect to the full-time employee.

(2) *Form of the statement.* A statement required under this paragraph (f) may be made either by furnishing to the full-time employee a copy of Form 1095–C or another form the IRS designates as prescribed in this section and in the instructions to such forms, or a substitute statement. A substitute statement must include the information required to be shown on the return filed with the IRS and must comply with requirements in published guidance (see § 601.601(d)(2) of this chapter) relating to substitute statements. An IRS truncated taxpayer identification number may be used as the identifying number for an individual in lieu of the identifying number appearing on the corresponding information return filed with the IRS.

(g) *Time and manner for furnishing statements*—(1) *Time for furnishing.*—(i) *In general.* Each statement required by this section for a calendar year must be furnished to a full-time employee on or before January 31 of the year succeeding that calendar year in accordance with applicable Internal Revenue Service procedures and instructions

(ii) *Extensions of time*—(A) *In general.* For good cause upon written application of the person required to furnish statements under this section, the Internal Revenue Service may grant an extension of time not exceeding 30 days in which to furnish such statements. The application must be addressed to the Internal Revenue Service, and must contain a full recital of the reasons for requesting the extension to aid the Internal Revenue Service in determining

the period of the extension, if any, that will be granted. A request in the form of a letter to the Internal Revenue Service, signed by the applicant, suffices as an application. The application must be filed on or before the date prescribed in paragraph (g)(1) of this section.

(B) *Automatic extension of time.* The Commissioner may, in appropriate cases, prescribe additional guidance or procedures, published in the Internal Revenue Bulletin (see § 601.601(d)(2) of this chapter), for automatic extensions of time to furnish to one or more full-time employees the statement required under section 6056.

(2) *Manner of furnishing.* If mailed, the statement must be sent to the full-time employee's last known permanent address or, if no permanent address is known, to the employee's temporary address. For purposes of this paragraph (g), an applicable large employer member's first class mailing to the last known permanent address, or if no permanent address is known, the temporary address, discharges the requirement to furnish the statement. An applicable large employer member may furnish the statement electronically in accordance with § 301.6056–2.

(h) *Correction of returns.* See § 301.6056–1(i)(2).

(i) *Penalties.*—(1) *In general.* For provisions relating to the penalty for failure to file timely a correct information return required under section 6056, see section 6721 and the regulations under that section. For provisions relating to the penalty for failure to furnish timely a correct statement to full-time employees required under section 6056, see section 6722 and the regulations under that section. See section 6724 and the regulations under that section for rules relating to the waiver of penalties if a failure to file timely or accurately is due to reasonable cause and is not due to willful neglect.

(2) *Application of section 6721 and 6722 penalties to section 6056 reporting.* For purposes of section 6056 reporting, if the information reported on a return (including a transmittal) or a statement required by this section is incomplete or incorrect as a result of a change in circumstances (such as a retroactive change in coverage), a failure to timely file or furnish a corrected document is a failure to file or furnish a correct return or statement under sections 6721 and 6722.

(j) *Alternative reporting methods for eligible applicable large employer members.* In lieu of the general reporting method described in paragraph (d) of this section, eligible applicable large employer members may use the following alternative reporting methods described in this paragraph (j).

(1) *Certification of qualifying offer.* An applicable large employer member is an eligible applicable large employer member and is treated as meeting its reporting obligation under section 6056 if:

(i) The applicable large employer member certifies on the section 6056 transmittal form, in accordance with the form and the instructions to the form, that it made a qualifying offer. A qualifying offer is an offer to one or more of its full-time employees for all months during the year for which the employee was a full-time employee and which are not within a limited nonassessment period (as defined in § 54.4980H–1(a)(26) of this chapter), of minimum essential coverage providing minimum value at an employee cost for employee-only coverage not exceeding 9.5 percent of the mainland single federal poverty line, and that includes an offer of minimum essential coverage to the employees' spouses and dependents. For this purpose, the applicable federal poverty line is the federal poverty line as defined in § 54.4980H–1(a)(19) of this chapter, as calculated and applied to the 48 contiguous states and the District of Columbia;

(ii) The applicable large employer member provides on the Form 1095–C or other form as designated by the IRS, in accordance with the form and the instructions to the form, the information with respect to each full-time employee to whom a qualifying offer, as defined in paragraph (j)(1)(i) of this section, is made for all twelve months of the applicable calendar year;

(iii) The applicable large employer member provides a statement to each full-time employee to whom a qualifying offer (as defined in paragraph (j)(1)(i) of this section) was made for all twelve months of the applicable calendar year, in such form and manner as prescribed by the Secretary, or a copy of the Form 1095–C filed with the IRS with respect to that full-time employee; and

(D) The applicable large employer member files section 6056 returns and furnishes section 6056 employee statements with respect to all other full-time employees under the general reporting method described in paragraph (d) of this section, in accordance with forms and instructions.

(2) *Option to report without separate identification of full-time employees if certain conditions related to offers of coverage are satisfied (98 percent offers).* An applicable large employer member that otherwise meets its reporting obligation under section 6056 is not required to identify on its section 6056 return whether a particular employee is a full-time employee for one or more calendar months of the reporting year or report the total number of its full-time employees for the reporting year, if it certifies that it offered minimum essential coverage providing minimum value that was affordable under section 4980H to at least 98 percent of the employees (and their dependents) with respect to whom it reports for purposes of section 6056 in accordance with paragraph (d) of this section (regardless of whether the employee is a full-time employee for purposes of section 4980H for a calendar month during the year).

(k) *Special rules for governmental units*—(1) *Person appropriately designated.* In the case of any applicable large employer member that is a governmental unit or any agency or instrumentality thereof, the person or persons appropriately designated under section 6056(e) for purposes of the filing and furnishing requirements of section 6056 must be part of or related to the same governmental unit as the applicable large employer member. The applicable large employer member must make (or revoke) the designation before the earlier of the deadline for filing the returns or furnishing the statements required by this section. A person that has been appropriately designated under section 6056(e) must file a separate section 6056 return and transmittal for each applicable large employer member for which the person is reporting. The person appropriately designated under section 6056(e) assumes responsibility for the section 6056 requirements on behalf of the applicable large employer member for which the person is designated. Notwithstanding the designation, a separate section 6056 information return must be filed for each applicable large employer member that is a governmental unit. If more than one section 6056 information return is being filed for an applicable large employer member, there must be one authoritative section 6056 transmittal (Form 1094–C) reporting aggregate employer-level data for all full-time employees of the applicable large employer member, in accordance with forms and instructions. In addition, notwithstanding the designation, there must be only one section 6056 employee statement (Form 1095–C) for each full-time employee with respect to that full-time employee's employment with the applicable large employer member, so that all required

information for a particular full-time employee of the applicable large employer member is reflected on a single Form 1095–C.

(2) *Written designation.* The designation under section 6056(e) must be made in writing, must be signed by both the applicable large employer member and the designated person, and must be effective under all applicable laws. The designation must set forth the name, address, and employer identification number of the designated person, and appoint such person as the person responsible for reporting under section 6056 on behalf of the applicable large employer member. The designation must contain information identifying the category of full-time employees (which may be full-time employees eligible for a specified health plan, or in a particular job category, as long as the specific employees covered by the designation can be identified) for which the designated person is responsible for reporting under section 6056 on behalf of the applicable large employer member. If the designated person is responsible for reporting under section 6056 for all full-time employees of an applicable large employer member, the designation must so indicate. The designation must contain language that the designated person agrees and certifies that it is the appropriately designated person under section 6056(e), and an acknowledgement that the designated person is responsible for reporting under section 6056 on behalf of the applicable large employer member and subject to the requirements of section 6056, including for purposes of information reporting requirements under sections 6721, 6722, and 6724. The designation must also set forth the name and employer identification number of the applicable large employer member, identifying the applicable large employer member as the person subject to the requirements of section 4980H. An equivalent applicable statutory or regulatory designation containing the language described in this paragraph (k)(2) will be treated as a written designation for purposes of section 6056(e) and this section. The designation will not be submitted to the IRS and should be maintained under the normal record-retention rules under section 6103.

(3) *Application to alternative reporting methods.* A person designated under this paragraph (k) may use the alternative reporting method identified in paragraph (j)(1) of this section for the full-time employees for which it is reporting with respect to a particular governmental unit if that particular governmental unit meets the eligibility requirements with respect to those employees, but may use the alternative reporting method identified in paragraph (j)(2) of this section only if the governmental unit on whose behalf it is reporting would itself be eligible to use that alternative reporting method.

(l) *Additional guidance.* The Commissioner may prescribe additional guidance of general applicability, published in the Internal Revenue Bulletin (see § 601.601(d)(2) of this chapter) to provide additional rules under section 6056, including rules permitting use of alternative optional methods to meet reporting requirements.

(m) *Effective/applicability date.* This section applies for calendar years beginning after December 31, 2014. Reporting entities will not be subject to penalties under sections 6721 or 6722 for failure to comply with the section 6056 reporting requirements for 2014 (for information returns filed and for statements furnished to employees in 2015).

■ **Par 4.** Section 301.6056–2 is added to read as follows:

**§ 301.6056–2 Electronic furnishing of statements.**

(a) *Electronic furnishing of statements*—(1) *In general.* An applicable large employer member required by § 301.6056–1 to furnish a statement (furnisher) to a full-time employee (a recipient) as required by section 6056 may furnish the section 6056 employee statement (the statement) in an electronic format in lieu of a paper format, provided that the furnisher meets the requirements of paragraphs (a)(2) through (a)(6) of this section. An applicable large employer member who meets the requirements of paragraphs (a)(2) through (6) of this section is treated as furnishing the statement in a timely manner.

(2) *Consent*—(i) *In general.* The recipient must have affirmatively consented to receive the statement in an electronic format. The recipient may make the consent electronically in any manner that reasonably demonstrates that the recipient can access the statement in the electronic format in which it will be furnished to the recipient. Alternatively, the recipient may make the consent in a paper document if the recipient confirms the consent electronically.

(ii) *Withdrawal of consent.* The consent requirement of this paragraph (a)(2) is not satisfied if the recipient withdraws the consent and the withdrawal takes effect before the statement is furnished. The furnisher may provide that a withdrawal of consent takes effect either on the date it is received by the furnisher or on a subsequent date. The furnisher may also provide that a recipient's request for a paper statement will be treated as a withdrawal of the recipient's consent.

(iii) *Change in hardware or software requirements.* If a change in the hardware or software required to access the statement creates a material risk that the recipient will not be able to access the statement, the furnisher must, prior to changing the hardware or software, provide the recipient with a notice. The notice must describe the revised hardware and software required to access the statement and inform the recipient that a new consent to receive the statement in the revised electronic format must be provided to the furnisher. After implementing the revised hardware and software, the furnisher must obtain from the recipient, in the manner described in paragraph (a)(2)(i) of this section, a new consent or confirmation of consent to receive the statement electronically.

(iv) *Examples.* The following examples illustrate the rules of this paragraph (a)(2):

*Example 1.* Furnisher F sends Recipient R a letter stating that R may consent to receive the statement required under section 6056 electronically on a Web site instead of in a paper format. The letter contains instructions explaining how to consent to receive the statement electronically by accessing the Web site, downloading the consent document, completing the consent document and emailing the completed consent back to F. The consent document posted on the Web site uses the same electronic format that F will use for the electronically furnished statement. R reads the instructions and accesses the Web site, downloads and completes the consent document, and emails the completed consent back to F. R has consented to receive the statement required under section 6056 electronically in the manner described in paragraph (a)(2)(i) of this section.

*Example 2.* Furnisher F sends Recipient R an email stating that R may consent to receive the statement required under section 6056 electronically instead of in a paper format. The email contains an attachment instructing R how to consent to receive the statement electronically. The email attachment uses the same electronic format that F will use for the electronically furnished statement. R opens the attachment, reads the instructions, and submits the consent in the manner provided in the instructions. R has consented to receive the statement required under section 6056 electronically in the manner described in paragraph (a)(2)(i) of this section.

*Example 3.* Furnisher F posts a notice on its Web site stating that Recipient R may receive the statement required under section 6056 electronically instead of in a paper

format. The Web site contains instructions on how R may access a secure Web page and consent to receive the statement electronically. The consent via the secure Web page uses the same electronic format that F will use for the electronically furnished statement. R accesses the Web site and follows the instructions for giving consent. R has consented to receive section 6056 statements electronically in the manner described in paragraph (a)(2)(i) of this section.

(3) *Required disclosures*—(i) *In general.* Prior to, or at the time of, a recipient's consent, a furnisher must provide to the recipient a clear and conspicuous disclosure statement containing each of the disclosures described in paragraphs (a)(3)(ii) through (viii) of this section.

(ii) *Paper statement.* The furnisher must inform the recipient that the statement will be furnished on paper if the recipient does not consent to receive it electronically.

(iii) *Scope and duration of consent.* The furnisher must inform the recipient of the scope and duration of the consent. For example, the recipient must be informed whether the consent applies to each statement required to be furnished after the consent is given until it is withdrawn in the manner described in paragraph (a)(3)(v)(A) of this section or only to the first statement required to be furnished following the date of the consent.

(iv) *Post-consent request for a paper statement.* The furnisher must inform the recipient of any procedure for obtaining a paper copy of the recipient's statement after giving the consent described in paragraph (a)(2)(i) of this section and whether a request for a paper statement will be treated as a withdrawal of consent.

(v) *Withdrawal of consent.* The furnisher must inform the recipient that—

(A) The recipient may withdraw a consent by writing (electronically or on paper) to the person or department whose name, mailing address, telephone number, and email address is provided in the disclosure statement,

(B) The furnisher will confirm the withdrawal and the date on which it takes effect in writing (either electronically or on paper), and

(C) A withdrawal of consent does not apply to a statement that was furnished electronically in the manner described in this paragraph (a) before the date on which the withdrawal of consent takes effect.

(vi) *Notice of termination.* The furnisher must inform the recipient of the conditions under which a furnisher will cease furnishing statements electronically to the recipient (for example, termination of the recipient's employment with furnisher-employer).

(vii) *Updating information.* The furnisher must inform the recipient of the procedures for updating the information needed to contact the recipient. The furnisher must inform the recipient of any change in the furnisher's contact information.

(viii) *Hardware and software requirements.* The furnisher must provide the recipient with a description of the hardware and software required to access, print, and retain the statement, and the date when the statement will no longer be available on the Web site. The furnisher must advice the recipient that the statement may be required to be printed and attached to a Federal, State, or local income tax return.

(4) *Format.* The electronic version of the statement must contain all required information and comply with applicable revenue procedures relating to substitute statements to recipients.

(5) *Notice*—(i) *In general.* If the statement is furnished on a Web site, the furnisher must notify the recipient that the statement is posted on a Web site. The notice may be delivered by mail, electronic mail, or in person. The notice must provide instructions on how to access and print the statement. The notice must include the following statement in capital letters, ''IMPORTANT TAX RETURN DOCUMENT AVAILABLE.'' If the notice is provided by electronic mail, the foregoing statement must be on the subject line of the electronic mail.

(ii) *Undeliverable electronic address.* If an electronic notice described in paragraph (a)(5)(i) of this section is returned as undeliverable, and the correct electronic address cannot be obtained from the furnisher's records or from the recipient, then the furnisher must furnish the notice by mail or in person within 30 days after the electronic notice is returned.

(iii) *Corrected statement.* If the furnisher has corrected a recipient's statement as directed in § 301.6056–1(k) and the original statement was furnished electronically, the furnisher must furnish the corrected statement to the recipient electronically. If the original statement was furnished through a Web site posting and the furnisher has corrected the statement, the furnisher must notify the recipient that it has posted the corrected statement on the Web site within 30 days of such posting in the manner described in paragraph (a)(5)(i) of this section. The corrected statement or the notice must be furnished by mail or in person if—

(A) An electronic notice of the Web site posting of an original statement or the corrected statement was returned as undeliverable, and

(B) The recipient has not provided a new email address.

(6) *Access period.* Statements furnished on a Web site must be retained on the Web site through October 15 of the year following the calendar year to which the statements relate (or the first business day after October 15, if October 15 falls on a Saturday, Sunday, or legal holiday). The furnisher must maintain access to corrected statements that are posted on the Web site through October 15 of the year following the calendar year to which the statements relate (or the first business day after such October 15, if October 15 falls on a Saturday, Sunday, or legal holiday) or the date 90 days after the corrected forms are posted, whichever is later.

(7) *Paper statements after withdrawal of consent.* A furnisher must furnish a paper statement if a recipient withdraws consent to receive a statement electronically and the withdrawal takes effect before the statement is furnished. A paper statement furnished after the statement due date under this paragraph (a)(7) is timely if furnished within 30 days after the date the furnisher receives the withdrawal of consent.

(b) *Effective/applicability date.* This section applies for calendar years beginning after December 31, 2014. Reporting entities will not be subject to penalties under section 6722 with respect to the reporting requirements for 2014 (for statements furnished in 2015).

## PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

■ **Par. 5.** The authority citation for part 602 continues to read as follows:

**Authority:** 26 U.S.C. 7805 * * *

■ **Par. 6.** In § 602.101, paragraph (b) is amended by adding two entries in numerical order to the table to read as follows:

**§ 602.101 OMB Control numbers.**

* * * * *

(b) * * *

| CFR part or section where identified and described | Current OMB control No. |
|---|---|
| * * * * * | |
| 301.6056–1 | 1545–2251 |
| 301.6056–2 | 1545–2251 |
| * * * * * | |

Approved: March 2, 2014.

**John Dalrymple,**

*Deputy Commissioner for Services and Enforcement.*

**Mark J. Mazur,**

*Assistant Secretary of the Treasury (Tax Policy).*

[FR Doc. 2014–05050 Filed 3–5–14; 4:15 pm]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF TRANSPORTATION

## Saint Lawrence Seaway Development Corporation

## 33 CFR Part 402

**RIN 2135–AA35**

## Tariff of Tolls

**AGENCY:** Saint Lawrence Seaway Development Corporation, DOT.

**ACTION:** Final rule.

**SUMMARY:** The Saint Lawrence Seaway Development Corporation (SLSDC) and the St. Lawrence Seaway Management Corporation (SLSMC) of Canada, under international agreement, jointly publish and presently administer the St. Lawrence Seaway Tariff of Tolls in their respective jurisdictions. The Tariff sets forth the level of tolls assessed on all commodities and vessels transiting the facilities operated by the SLSDC and the SLSMC. The SLSDC is revising its regulations to reflect the fees and charges currently being levied by the SLSMC in Canada. The changes affect the tolls for commercial vessels and are applicable only in Canada. For consistency, because these are under international agreement joint regulations, and to avoid confusion among users of the Seaway, the SLSDC finds that there is good cause to make the U.S. version of the amendments effective upon publication. (See **SUPPLEMENTARY INFORMATION**.)

**DATES:** This rule is effective on March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Carrie Mann Lavigne, Chief Counsel, Saint Lawrence Seaway Development Corporation, 180 Andrews Street, Massena, New York 13662; 315/764–3200.

**SUPPLEMENTARY INFORMATION:** The Saint Lawrence Seaway Development Corporation (SLSDC) and the St. Lawrence Seaway Management Corporation (SLSMC) of Canada, under international agreement, jointly publish and presently administer the St. Lawrence Seaway Tariff of Tolls (Schedule of Fees and Charges in Canada) in their respective jurisdictions. The Tariff sets forth the level of tolls assessed on all commodities and vessels transiting the facilities operated by the SLSDC and the SLSMC. The SLSDC is revising 33 CFR 402.10, ''Schedule of tolls'', to reflect the fees and charges levied by the SLSMC in Canada. The changes affect the tolls for commercial vessels and are applicable only in Canada. The collection of tolls by the SLSDC on commercial vessels transiting the U.S. locks is waived by law (33 U.S.C. 988a(a)). Accordingly, no notice or comment is necessary on these amendments.

### Regulatory Notices

*Privacy Act:* Anyone is able to search the electronic form of all 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 DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–19478) or you may visit *www.regulations.gov*.

### Regulatory Evaluation

This regulation involves a foreign affairs function of the United States and therefore Executive Order 12866 does not apply and evaluation under the Department of Transportation's Regulatory Policies and Procedures is not required.

### Regulatory Flexibility Act Determination

I certify this regulation will not have a significant economic impact on a substantial number of small entities. The St. Lawrence Seaway Tariff of Tolls primarily relate to commercial users of the Seaway, the vast majority of whom are foreign vessel operators. Therefore, any resulting costs will be borne mostly by foreign vessels.

### Environmental Impact

This regulation does not require an environmental impact statement under the National Environmental Policy Act (49 U.S.C. 4321, *et seq.*) because it is not a major federal action significantly affecting the quality of the human environment.

### Federalism

The Corporation has analyzed this rule under the principles and criteria in Executive Order 13132, dated August 4, 1999, and has determined that this proposal does not have sufficient federalism implications to warrant a Federalism Assessment.

### Unfunded Mandates

The Corporation has analyzed this rule under Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4, 109 Stat. 48) and determined that it does not impose unfunded mandates on State, local, and tribal governments and the private sector requiring a written statement of economic and regulatory alternatives.

### Paperwork Reduction Act

This regulation has been analyzed under the Paperwork Reduction Act of 1995 and does not contain new or modified information collection requirements subject to the Office of Management and Budget review.

### List of Subjects in 33 CFR Part 402

Vessels, Waterways.

Accordingly, the Saint Lawrence Seaway Development Corporation is amending 33 CFR part 402 as follows:

## PART 402—TARIFF OF TOLLS

■ 1. The authority citation for part 402 continues to read as follows:

**Authority:** 33 U.S.C. 983(a), 984(a)(4) and 988, as amended; 49 CFR 1.52.

■ 2. In § 402.3, add definitions for ''liner service,'' semi-liner service,'' and ''service incentive'' in alphabetical order to read as follows:

**§ 402.3 Interpretation.**

* * * * *

*Liner service* means one or more vessels operated by a single operator on a fixed route between designated port, providing regularly scheduled service for consignments of multiple commodities.

* * * * *

*Semi-liner* service means a reduced or limited *liner service,* offering fewer regularly scheduled voyages and/or fewer designated ports of calls.

*Service incentive* means a percentage reduction, as part of an incentive program offered on applicable cargo tolls in respect of New Business shipments made by way of any newly established regular service out of the Great Lakes.

* * * * *

■ 3. In § 402.4, revise paragraph (d) and add paragraph (e) to read as follows:

**§ 402.4 Tolls.**

* * * * *

(d) Except as set out in paragraph (e) of this section, the Volume Rebate incentive cannot be combined (i.e., applied to the same cargo movement) with either of the New Business Incentive or the Service Incentive Programs.

(e) Except for cargoes that qualify for the New Business Incentive, any cargo being shipped by a liner or semi-liner approved under the Service Incentive program shall be eligible for the Volume Rebate Incentive.

**§§ 402.7 through 402.12 as [Redesignated as §§ 402.8 through 402.13]**

■ 4. Redesignate §§ 402.7 through 402.12 as §§ 402.8 through 402.13.

■ 5. Add new § 402.7 to read as follows:

**§ 402.7 Service Incentive Program**

(a) To be eligible for the Service Incentive Program, cargos must qualify as New Business under the New Business Incentive Program, and be shipped by a service meeting all of the requirements (Qualifying Service):

(1) A liner or semi-liner service between the same ports;

(2) The service must call on multiple origin ports, or multiple destination ports;

(3) The service must service markets outside of the Great Lakes; and

(4) The service must not replace or displace any of the carrier's existing services. The Manager reserves the right to require proof of the ultimate origin and destination of cargoes in order to ensure there is no diversion of existing cargoes.

(b) The Service incentive applies only to New Business applications approved after the commencement date of the Qualifying Service. New Business applications approved prior to the date of commencement of the Qualifying Service will be ineligible for the Service Incentive Program.

(c) The Service Incentive applies only to cargoes exported from the Great Lakes, and is not applicable to import cargoes.

(d) The carrier will provide the Manager with written notice of its intention to apply for the Service Incentive at least thirty (30) days prior to implementation of the Qualifying Service.

(e) The carrier will advise the Manager of the proposed interval (weekly, monthly, etc.) of the Qualifying Service, and the number of calls scheduled for the Navigation Season. Additional calls to the system may be added during the season.

(f) The carrier will advise the Manager of port rotation, outlining core ports of calls when providing notification of schedule rotation. Additional ports may be added at any time provided the core schedule ports are called.

(g) The carrier will advertise the Qualifying Service on its own Web site, available port Web sites, and with Manager's Assistance on the HWY H20 Web site.

(h) The carrier must meet 75% schedule adherence with a minimum of four (4) Great Lakes calls during the navigation season.

(i) The carrier will provide the Manager with a request for the Service Incentive refund, together with copies of any documents required to support the request, within sixty (60) days of the close of the navigation season. Requests for refunds should be submitted to the Manager, Revenue and Forecast for the Manager, who will be responsible for reviewing and approving Service Incentive requests.

(j) Service Incentive of 20% of tolls paid in respect of cargo shipped by Qualifying Service will be refunded by the Manager after the close of the navigation season, once the Manager has confirmed that the carrier has met the schedule adherence requirement.

■ 6. Newly redesignated § 402.11 is revised to read as follows:

**§ 402.11 Schedule of tolls.**

| Item | Column 1<br>Description of charges | Column 2<br>Rate ($)<br>Montreal to or from Lake Ontario<br>(5 locks) | Column 3<br>Rate ($)<br>Welland Canal—Lake Ontario to or from Lake Erie<br>(8 locks) |
|---|---|---|---|
| 1 | Subject to item 3, for complete transit of the Seaway, a composite toll, comprising: | | |
| | (1) a charge per gross registered ton of the ship, applicable whether the ship is wholly or partially laden, or is in ballast, and the gross registered tonnage being calculated according to prescribed rules for measurement or under the International Convention on Tonnage Measurement of Ships, 1969, as amended from time to time. [1] | 0.1020 | 0.1632 |
| | (2) a charge per metric ton of cargo as certified on the ship's manifest or other document, as follows: | | |
| | (*a*) bulk cargo | 1.0570 | 0.7215 |
| | (*b*) general cargo | 2.5469 | 1.1546 |
| | (*c*) steel slab | 2.3050 | 0.8266 |
| | (*d*) containerized cargo | 1.0570 | 0.7215 |
| | (*e*) government aid cargo | n/a | n/a |
| | (*f*) grain | 0.6494 | 0.7215 |
| | (*g*) coal | 0.6494 | 0.7215 |
| | (3) a charge per passenger per lock | 1.5836 | 1.5836 |
| | (4) a lockage charge per Gross Registered Ton of the vessel, as defined in tem 1(1), applicable whether the ship is wholly or partially laden, or is in ballast, for transit of the Welland Canal in either direction by cargo ships, | n/a | 0.2718 |
| | Up to a maximum charge per vessel | n/a | 3,801.00 |
| 2 | Subject to item 3, for partial transit of the Seaway | 20 percent per lock of the applicable charge under items 1(1), 1(2) and 1(4) plus the applicable charge under items 1(3) | 13 percent per lock of the applicable charge under items 1(1), 1(2) and 1(4) plus the applicable charge under items 1(3) |
| 3 | Minimum charge per vessel per lock transited for full or partial transit of the Seaway. | 26.39 | 26.39 |
| 4 | A charge per pleasure craft per lock transited for full or partial transit of the Seaway, including applicable federal taxes. [2] | 30.00 [3] | 30.00 |

| Item | Column 1 | Column 2 | Column 3 |
|---|---|---|---|
| | Description of charges | Rate ($) Montreal to or from Lake Ontario (5 locks) | Rate ($) Welland Canal—Lake Ontario to or from Lake Erie (8 locks) |
| 5 ..... | Under the New Business Initiative Program, for cargo accepted as New Business, a percentage rebate on the applicable cargo charges for the approved period. | 20% | 20% |
| 6 ..... | Under the Volume Rebate Incentive program, a retroactive percentage rebate on cargo tolls on the incremental volume calculated based on the pre-approved maximum volume. | 10% | 10% |
| 7 ..... | Under the New Service Incentive Program, for New Business cargo moving under an approved new service, an additional percentage refund on applicable cargo tolls above the New Business rebate. | 20% | 20% |

[1] Or under the US GRT for vessels prescribed prior to 2002.
[2] The applicable charge at the Saint Lawrence Seaway Development Corporation's locks (Eisenhower, Snell) for pleasure craft is $30 U.S. or $30 Canadian per lock. The collection of the U.S. portion of tolls for commercial vessels is waived by law (33 U.S.C. 988a(a)).
[3] $5.00 discount per lock applicable on ticket purchased for Canadian locks via PayPal.

Issued at Washington, DC, on March 3, 2014.

Saint Lawrence Seaway Development Corporation.

**Carrie Lavigne,**

*Chief Counsel.*

[FR Doc. 2014–04938 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–61–P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

**[EPA–R01–OAR–2012–0661; A–1–FRL–9906–76-Region 1]**

## Approval and Promulgation of Air Quality Implementation Plans; New Hampshire; Manchester and Nashua Carbon Monoxide Limited Maintenance Plans

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is approving a State Implementation Plan (SIP) revision submitted by the State of New Hampshire. This SIP revision establishes carbon monoxide (CO) limited maintenance plans for the City of Manchester, New Hampshire and the City of Nashua, New Hampshire. As part of its limited maintenance plan, New Hampshire will continue year-round CO monitoring at the Londonderry Moose Hill station in Londonderry, New Hampshire with triggers to reestablish CO monitoring sites in Manchester and Nashua if elevated CO levels are recorded in Londonderry. Future carbon monoxide transportation conformity evaluations for Manchester and Nashua will, for the length of their limited maintenance plans, be considered to satisfy the regional emissions analysis and ''budget test'' requirements. This action is being taken under the Clean Air Act.

**DATES:** This rule is effective on April 9, 2014.

**ADDRESSES:** EPA has established a docket for this action under Docket Identification No. EPA–R01–OAR–2012–0661. All documents in the docket are listed on the *www.regulations.gov* Web site. 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 through *www.regulations.gov* or in hard copy at the Office of Ecosystem Protection, U.S. Environmental Protection Agency, EPA New England Regional Office, Office of Ecosystem Protection, Air Quality Planning Unit, 5 Post Office Square—Suite 100, Boston, MA. EPA requests that if at all possible, you contact the contact listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding legal holidays.

Copies of the documents relevant to this action are also available for public inspection during normal business hours, by appointment at the State Air Agency; Air Resources Division, Department of Environmental Services, 6 Hazen Drive, P.O. Box 95, Concord, NH 03302–0095.

**FOR FURTHER INFORMATION CONTACT:** Donald O. Cooke, Air Quality Planning Unit, U.S. Environmental Protection Agency, EPA New England Regional Office, Office of Ecosystem Protection, Air Quality Planning Unit, 5 Post Office Square—Suite 100, (Mail code OEP05–2), Boston, MA 02109—3912, telephone number (617) 918–1668, fax number (617) 918–0668, email *cooke.donald@epa.gov*.

**SUPPLEMENTARY INFORMATION:** Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean EPA.

Organization of this document. The following outline is provided to aid in locating information in this preamble.

I. Background and Purpose
II. State Commitments
III. Final Action
IV. Statutory and Executive Order Reviews

### I. Background and Purpose

On December 24, 2013 (78 FR 77632), EPA published a Notice of Proposed Rulemaking (NPR) for the State of New Hampshire, proposing approval of a SIP revision submitted on August 1, 2012. Specifically, EPA proposed to approve conversion of the Manchester and Nashua current carbon monoxide maintenance plans to a limited maintenance plan for the remainder of the City of Manchester, and the City of Nashua, New Hampshire CO maintenance plans which terminate on January 29, 2021.

EPA also proposed to approve replacement of the CO air quality monitoring in Manchester with carbon monoxide monitoring at the Londonderry Moose Hill station in Londonderry, New Hampshire with triggers to reestablish CO monitoring sites in Manchester and Nashua if elevated CO levels are recorded in Londonderry.

Other specific requirements of the limited maintenance plans for the City of Manchester, New Hampshire and the City of Nashua, New Hampshire, year-

round CO monitoring at the Londonderry Moose Hill station in Londonderry, New Hampshire, and the rationale for EPA's approval action are explained in the NPR and will not be restated here. No public comments were received on the NPR.

**II. State Commitments**

New Hampshire will monitor CO levels using the Londonderry Moose Hill station and emissions inventories. Because New Hampshire is discontinuing monitoring CO in Manchester, it has adopted a more stringent contingency threshold or ''trigger'' than indicated in the previously submitted and EPA-approved May 30, 2007 maintenance plan SIP revision. See September 10, 2007; 72 FR 51564. In the event the second highest CO concentration in any calendar year monitored in Londonderry reaches 50 percent of the Federal 1-hour or 8-hour NAAQS for CO, New Hampshire will, as committed to in the August 1, 2012 SIP revision, within six months of recording such concentrations, reestablish the CO monitoring site in Manchester consistent with EPA siting criteria, and resume analyzing and reporting those data. If the reestablished Manchester CO monitor measures a violation of the either the Federal 1-hour or 8-hour NAAQS for CO, contingency measures will be implemented in Manchester and Nashua. Contingency measures in Nashua would cease once a reestablished CO monitor in Nashua shows that the area is in attainment of the CO standard.

If the Manchester or Nashua CO attainment areas monitor CO concentrations at or above the limited maintenance eligibility criteria or 7.65 parts per million, then that maintenance area would no longer qualify for a limited maintenance plan and would revert to a full maintenance plan. In this event, the limited maintenance plan would remain applicable for conformity purposes only until the full maintenance plan is submitted and EPA has found its motor vehicle emissions budgets adequate for conformity purposes or EPA approves the full maintenance plan SIP revision. Any required new conformity determinations could not be made until there is an adequate budget or approved full maintenance plan. At that time, regional emissions analyses would resume as a transportation conformity criteria.

**III. Final Action**

EPA is approving conversion of the Manchester and Nashua current carbon monoxide maintenance plans to a limited maintenance plan for the remainder of the City of Manchester, and the City of Nashua, New Hampshire CO maintenance plans which terminate on January 29, 2021.

EPA is also approving replacement of the CO air quality monitoring in Manchester with carbon monoxide monitoring at the Londonderry Moose Hill station in Londonderry, New Hampshire with triggers to reestablish CO monitoring sites in Manchester and Nashua if elevated CO levels are recorded in Londonderry.

**IV. Statutory and Executive Order Reviews**

Under the Clean Air Act, 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 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 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 (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, 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.

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 Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by May 9, 2014. 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. 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, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

**H. Curtis Spalding**

*Regional Administrator, EPA New England.*

Part 52 of chapter I, title 40 of the Code of Federal Regulations is amended as follows:

## PART 52—[AMENDED]

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

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

### Subpart EE—New Hampshire

■ 2. Section 52.1528 is amended by adding paragraph (e) to read as follows:

**§ 52.1528 Control strategy: Carbon monoxide.**

* * * * *

(e) Approval—On August 1, 2012, the New Hampshire Department of Environmental Services submitted modifications to the Manchester and Nashua maintenance plans approved in paragraph (b) and (c) respectively of this section. The Manchester and Nashua current carbon monoxide maintenance plans are both converted to limited maintenance plans for the remainder of their second-ten year maintenance periods which terminate on January 29, 2021. Future carbon monoxide transportation conformity evaluations for Manchester and Nashua will for the length of their limited maintenance plans be considered to satisfy the regional emissions analysis and ''budget test'' requirements. In addition, New Hampshire will no longer conduct CO monitoring in Manchester, New Hampshire as addressed in paragraph (d) of this section. The Manchester monitoring site is replaced with the Londonderry Moose Hill station in Londonderry, New Hampshire with triggers to reestablish CO monitoring sites in Manchester and Nashua if elevated CO levels are recorded in Londonderry.

[FR Doc. 2014–04948 Filed 3–7–14; 8:45 am]

**BILLING CODE 6560–50–P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

**[EPA–R08–OAR–2011–0834; FRL–9907–57–Region 8]**

## Approval and Promulgation of Air Quality Implementation Plans; State of Colorado; Second Ten-Year $PM_{10}$ Maintenance Plan for Pagosa Springs

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is taking final action partially approving and partially disapproving State Implementation Plan (SIP) revisions submitted by the State of Colorado. On March 31, 2010, the Governor of Colorado's designee submitted to EPA a revised maintenance plan for the Pagosa Springs area for the National Ambient Air Quality Standards (NAAQS) for particulate matter with an aerodynamic diameter less than or equal to 10 microns ($PM_{10}$). The State adopted the revised maintenance plan on November 19, 2009. As required by Clean Air Act (CAA) section 175A(b), this revised maintenance plan addresses maintenance of the $PM_{10}$ standard for a second 10-year period beyond the area's original redesignation to attainment for the $PM_{10}$ NAAQS. EPA is taking final action approving the revised maintenance plan with the exception of one aspect of the plan's contingency measures. EPA's approval includes the revised maintenance plan's 2021 transportation conformity motor vehicle emissions budget (MVEB) for $PM_{10}$. In taking final action to approve the revised maintenance plan, we are taking final action to exclude from use in determining whether or not Pagosa Springs continues to attain the 24-hour $PM_{10}$ NAAQS, exceedances of the 24-hour $PM_{10}$ NAAQS that were recorded at the Pagosa Springs $PM_{10}$ monitor on March 22, 2009, April 3, 2009, April 5, 2010, April 28, 2010, April 29, 2010, May 11, 2010, and May 22, 2010 because the exceedances meet the criteria for exceptional events caused by high wind natural events. This action is being taken under sections 110 and 175A of the CAA.

**DATES:** This final rule is effective April 9, 2014.

**ADDRESSES:** EPA has established a docket for this action under Docket ID No. EPA–R08–OAR–2011–0834. All documents in the docket are listed on the *www.regulations.gov* Web site. Although listed in the index, some information is not publicly available, e.g., Confidential Business Information (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 through *www.regulations.gov* or in hard copy at the Air Program, Environmental Protection Agency (EPA), Region 8, 1595 Wynkoop Street, Denver, Colorado 80202–1129. EPA requests that if at all possible, you contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section to view the hard copy of the docket. You may view the hard copy of the docket Monday through Friday, 8:00 a.m. to 4:00 p.m., excluding Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Kyle Olson, Air Program, U.S. Environmental Protection Agency, Region 8, Mailcode 8P–AR, 1595 Wynkoop Street, Denver, Colorado 80202–1129, (303) 312–6002, *olson.kyle@epa.gov.*

**SUPPLEMENTARY INFORMATION:**

### Definitions

For the purpose of this document, we are giving meaning to certain words or initials as follows:

i. The words or initials *Act* or *CAA* mean or refer to the Clean Air Act, unless the context indicates otherwise.

ii. The words *Colorado* and *State* mean or refer to the State of Colorado.

iii. The words *EPA, we, us* or *our* mean or refer to the United States Environmental Protection Agency.

iv. The initials *MVEB* mean or refer to motor vehicle emissions budget.

v. The initials *NAAQS* mean or refer to National Ambient Air Quality Standard.

vi. The initials *NPR* mean or refer to notice of proposed rulemaking.

vii. The initials *$PM_{10}$* mean or refer to particulate matter with an aerodynamic diameter of less than or equal to 10 micrometers (coarse particulate matter).

viii. The initials *SIP* mean or refer to State Implementation Plan.

### Table of Contents

I. Background
II. Final Action
III. Statutory and Executive Orders Review

### I. Background

On December 27, 2013, we published a notice of proposed rulemaking (NPR) in which we proposed to partially approve and partially disapprove the revised Pagosa Springs $PM_{10}$ Maintenance Plan that Colorado submitted to us on March 31, 2010. (See 78 FR 78797.) We proposed to approve the revised maintenance plan, with the exception of one of its listed contingency measures, because it demonstrates maintenance through 2021 as required by CAA section 175A(b), retains the control measures from the initial $PM_{10}$ maintenance plan that EPA approved in June of 2001, and meets other CAA requirements for a section 175A maintenance plan. We proposed to disapprove ''voluntary coal and/or wood burning curtailment'' as a potential contingency measure in section 5.F.3 of the revised Pagosa Springs $PM_{10}$ Maintenance Plan. While we have not required that potential contingency measures be effective without further action by the state, we interpret the CAA as requiring measures

that will be enforceable. Voluntary measures may not be widely implemented and, thus, cannot be relied on to ensure prompt emission reductions to correct a violation. We also proposed to exclude from use in determining whether or not Pagosa Springs continues to attain the 24-hour $PM_{10}$ NAAQS exceedances of the 24-hour $PM_{10}$ NAAQS that were recorded at the Pagosa Springs $PM_{10}$ monitor on March 22, 2009, April 3, 2009, April 5, 2010, April 28, 2010, April 29, 2010, May 11, 2010, and May 22, 2010 because they meet the criteria for exceptional events caused by high wind natural events. In addition, we proposed to approve the revised maintenance plan's 2021 transportation conformity MVEB for $PM_{10}$ of 946 lbs/day.

We received no comments regarding our proposed actions and are finalizing those actions as proposed. For further details regarding the bases for our actions, please see our NPR at 78 FR 78797 (December 27, 2013).

## II. Final Action

We are approving the revised Pagosa Springs $PM_{10}$ Maintenance Plan that was submitted to us on March 31, 2010, with one exception. We are disapproving ''voluntary coal and/or wood burning curtailment'' as a potential contingency measure in section 5.F.3 of the revised Pagosa Springs $PM_{10}$ Maintenance Plan. We are approving the remainder of the revised maintenance plan because it demonstrates maintenance through 2021 as required by CAA section 175A(b), retains the control measures from the initial $PM_{10}$ maintenance plan that EPA approved on June 15, 2001, and meets other CAA requirements for a section 175A maintenance plan. We are excluding from use in determining that Pagosa Springs continues to attain the 24-hour $PM_{10}$ NAAQS exceedances of the 24-hour $PM_{10}$ NAAQS that were recorded at the Pagosa Springs $PM_{10}$ monitor on March 22, 2009, April 3, 2009, April 5, 2010, April 28, 2010, April 29, 2010, May 11, 2010, and May 22, 2010 because they meet the criteria for exceptional events caused by high wind natural events. We are also approving the revised maintenance plan's 2021 transportation conformity MVEB for $PM_{10}$ of 946 lbs/day.[1]

[1] As noted in our NPR, the 2012 $PM_{10}$ MVEB of 7,486 lbs/day from the original $PM_{10}$ maintenance plan must continue to be used for analysis years 2012 through 2020 (as long as such years are within the timeframe of the transportation plan), unless the State elects to submit a SIP revision to revise the 2012 $PM_{10}$ MVEB and EPA approves the SIP revision. 78 FR 78801–78802.

## III. Statutory and Executive Orders Review

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 CAA. 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 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 (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, 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.

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 Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by May 9, 2014 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. This action may not be challenged later in proceedings to enforce its requirements. (See CAA section 307(b)(2).)

### List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Volatile Organic Compounds.

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

Dated: February 20, 2014.

**Shaun L. McGrath,**

*Regional Administrator, Region 8.*

40 CFR part 52 is amended to read 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.

### Subpart G—Colorado

■ 2. Section 52.332 is amended by adding paragraph (t) to read as follows:

**§ 52.332 Control strategy: Particulate matter.**

* * * * *

(t) Revisions to the Colorado State Implementation Plan, Final Revised $PM_{10}$ Maintenance Plan for the Pagosa Springs Attainment/Maintenance Area, as adopted by the Colorado Air Quality Control Commission on November 19, 2009, and submitted by the Governor's designee on March 31, 2010. The revised maintenance plan satisfies all applicable requirements of the Clean Air Act.

[FR Doc. 2014–05009 Filed 3–7–14; 8:45 am]

**BILLING CODE 6560–50–P**

## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

### 49 CFR Parts 573, 577, and 579

**[Docket No. NHTSA—2012–0068; Notice 4]**

**RIN 2127–AK72**

## Early Warning Reporting, Foreign Defect Reporting, and Motor Vehicle and Equipment Recall Regulations

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

**ACTION:** Notice of Availability of Technical Specifications for Vehicle Identification Number (VIN) Look-up Interface.

**SUMMARY:** On January 22, 2014, NHTSA held a public meeting to review and discuss the technical specifications that vehicle manufacturers will need in order to support the VIN-based safety recalls look-up tool that will be housed on the NHTSA Web site *www.safercar.gov.* Numerous members of the auto industry, as well as consumer advocacy groups, vehicle history service providers, and others attended. This notice announces the availability of the final technical specification for the VIN interface.

**DATES:** March 10, 2014.

**ADDRESSES:** Previously submitted comments and petitions for reconsideration can be found in the docket.

For access to the docket to read background documents or comments received, go to *http://www.regulations.gov* and follow the online instructions for accessing the docket. You may also visit DOT's Docket Management Facility, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590–0001 for on-line access to the docket.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Timian, Chief, Recall Management Division, National Highway Traffic Safety Administration, telephone 202–366–0209, email *jennifer.timian@dot.gov.*

**SUPPLEMENTARY INFORMATION:** On August 20, 2013, NHTSA published a final rule requiring certain vehicle manufacturers to allow the secure electronic transfer of manufacturer recall data to NHTSA when a consumer submits VIN information to the agency's Web site for purposes of learning vehicle recall information. *See* 78 FR 51382, 51401. This requirement applies to manufacturers who manufacture 25,000 light vehicles annually or 5,000 motorcycles annually. Further information about the requirement to transfer recall data to NHTSA based upon a consumer's VIN may be found in the August 20, 2013 final rule.

In the final rule, NHTSA committed to hosting a public meeting to discuss the technical specification that would facilitate the secure transfer of recall information. That public meeting was held on January 22, 2014, and was attended by vehicle manufacturers, equipment manufacturers, industry trade groups, safety advocates, vehicle history report providers, and members of the public. NHTSA reviewed a VIN look-up tool technical specification document it previously made available to the public for discussion at the meeting, and attendees offered their commentary and suggestions, asked questions, and sought clarification on various points.

Based on the information we received from the public meeting, as well as our review of the specifications, we have adjusted the technical specifications and are making available the final technical specifications. We note that these technical specifications may change to address problems, issues or difficulties that arise from time-to-time during the operation of the VIN-look-up tool. In those situations, the agency will provide notice of its remedies to covered manufacturers through EWR and place the technical specifications on the agency's Web site, *www.safercar.gov.*

The following summarizes the public meeting:

1. Several manufacturers voiced concern regarding server maintenance scheduling and the technical specifications' instruction for manufacturers to provide information about scheduled server maintenance times to NHTSA. Manufacturers were concerned these set times would not offer enough flexibility to properly maintain their servers. Also, some manufacturers questioned how often their systems were allowed to be off-line for maintenance. The original technical specifications document did not specify how often a manufacturer's servers must be available for VIN look-up searches.

With the revised technical specifications we are announcing today, we are discarding defined maintenance windows in favor of a performance-based requirement. This new requirement is intended to ensure manufacturers' servers are available to report recall results with regularity and during time frames when U.S. users can be expected to send inquiries through our Web site. We have devised a specific error code to be used if and when a manufacturer's servers are unable to accept a request so that we can monitor and track performance, and that will also report out a message to the user that the search cannot be completed at that time, and to try again at another time.

2. Some manufacturers suggested that the technical specifications contain optional fields to include their manufacturer-assigned recall numbers and their contact information (such as toll-free numbers and Web site information) for display on any recall results shown on NHTSA's VIN look-up tool. NHTSA has amended its technical specifications document to add optional data fields to support the transfer of this information.

3. Some manufacturers noted inconsistencies between the information required to be provided on the manufacturer's Web site (or that of a third party to whom consumers are redirected), *See* 49 CFR 573.15, and NHTSA's VIN look-up tool. We have updated the technical specifications to ensure consistency between the two notification systems.

4. Also discussed were the measures for ensuring the secure transfer of information between a manufacturer and the agency. Consistent with the final rule, the technical specifications required use of SSL and unique API keys to ensure VIN requests and responses are encrypted adequately. Use of SSL and unique API keys is consistent with standard security practices. As noted in the earlier technical specifications, NHTSA will also validate VIN requests by requiring a CAPTCHA, or similar user validation, before contacting manufacturer servers for VIN results.

Manufacturers with early warning reporting (EWR) accounts may obtain a copy of the VIN look-up interface technical specifications through the agency's Web site. To obtain the technical specifications, these manufacturers can use their EWR

account credentials to access the secure Web page at *http://www.odi.nhtsa.dot.gov/ewr/login.cfm.* After logging in to the EWR system, the document labeled ''NEW—Technical Specifications for VIN Lookup Interface'' can be found on the next page. For any manufacturer, company, or group that does not have an EWR account, please contact Alex Ansley at *alexander.ansley@dot.gov* to receive a copy of the technical specifications.

**Frank Borris,**

*Director, Office of Defects Investigation NHTSA.*

[FR Doc. 2014–05126 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–59–P**

# Proposed Rules

Federal Register
Vol. 79, No. 46
Monday, March 10, 2014

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.

## NUCLEAR REGULATORY COMMISSION

### 10 CFR Part 72

**[NRC–2013–0236]**

**RIN 3150–AJ28**

## List of Approved Spent Fuel Storage Casks: Transnuclear, Inc. Standardized NUHOMS® Cask System

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its spent fuel storage regulations by revising the Transnuclear, Inc. Standardized NUHOMS® Cask System listing within the ''List of Approved Spent Fuel Storage Casks'' to include Amendment No. 13 to Certificate of Compliance (CoC) No. 1004. Amendment No. 13 includes changes to: (1) Add two new dry shielded canisters (DSCs), the –37PTH and the –69BTH; (2) add new approved contents, including blended low enriched uranium fuel, and control components to already approved DSCs; and (3) extend the use of the high-seismic horizontal storage module for storage of already approved DSCs. In addition, the amendment makes several other changes as described in Section III of the direct final rule published in the Rules and Regulation section of this issue of the **Federal Register**.

**DATES:** Submit comments by April 9, 2014. Comments received after this date will be considered if it is practical to do so, but the NRC staff is able to ensure consideration only for comments received on or before this date.

**ADDRESSES:** You may access information and comment submissions related to this proposed rulemaking, which the NRC possesses and is publicly available, by searching on *http://www.regulations.gov* under Docket ID NRC–2013–0236. You may submit comments by any one of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2013–0236. Address questions about NRC dockets to Carol Gallagher, telephone: 301–287–3422, email: *Carol.Gallagher@nrc.gov.* For technical questions, please contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Email comments to: Rulemaking.Comments@nrc.gov.* If you do not receive an automatic email reply confirming receipt, then contact us at 301–415–1677.
- *Fax comments to:* Secretary, U.S. Nuclear Regulatory Commission at 301–415–1101.
- *Mail comments to:* Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, ATTN: Rulemakings and Adjudications Staff.

For additional direction on accessing information and submitting comments, see ''Accessing Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

**FOR FURTHER INFORMATION CONTACT:** Gregory Trussell, Office of Federal and State Materials and Environmental Management Programs, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone: 301–415–6445, email: *Gregory.Trussell@nrc.gov.*

**SUPPLEMENTARY INFORMATION:**

### I. Accessing Information and Submitting Comments

*A. Accessing Information*

Please refer to Docket ID NRC–2013–0236 when contacting the NRC about the availability of information for this proposed rule. You may access publicly-available information related to this proposed rulemaking by the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2013–0236.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may access publicly-available documents online in the NRC Library 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 in this notice (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.

*B. Submitting Comments*

Please include Docket ID NRC–2013–0236 in the subject line of your comment submission, in order to ensure that the NRC is able to make your comment submission available to the public in this docket.

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed. The NRC posts all comment submissions at *http://www.regulations.gov* as well as entering the comment submissions into ADAMS, and the NRC does not 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 in their comment submissions that they do not want to be publicly disclosed. Your request should state that the NRC will not edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment submissions into ADAMS.

### II. Procedural Background

This rule is limited to the changes contained in Amendment No. 13 to CoC No. 1004 and does not include other aspects of the Transnuclear, Inc., Standardized NUHOMS® Cask System design. Because the NRC considers this action noncontroversial and routine, the NRC is publishing this proposed rule concurrently as a direct final rule in the Rules and Regulations section of this issue of the **Federal Register**. Adequate protection of public health and safety continues to be ensured. The direct final rule will become effective on May 24, 2014. However, if the NRC receives significant adverse comments on this proposed rule by April 9, 2014, then the NRC will publish a document that withdraws the direct final rule. If the

direct final rule is withdrawn, the NRC will address the comments received in response to these proposed revisions in a subsequent final rule. Absent significant modifications to the proposed revisions requiring republication, the NRC will not initiate a second comment period on this action in the event the direct final rule is withdrawn.

A significant adverse comment is a comment where the commenter explains why the rule would be inappropriate, including challenges to the rule's underlying premise or approach, or would be ineffective or unacceptable without a change. A comment is adverse and significant if:

(1) The comment opposes the rule and provides a reason sufficient to require a substantive response in a notice-and-comment process. For example, a substantive response is required when:

(a) The comment causes the NRC staff to reevaluate (or reconsider) its position or conduct additional analysis;

(b) The comment raises an issue serious enough to warrant a substantive response to clarify or complete the record; or

(c) The comment raises a relevant issue that was not previously addressed or considered by the NRC staff.

(2) The comment proposes a change or an addition to the rule, and it is apparent that the rule would be ineffective or unacceptable without incorporation of the change or addition.

(3) The comment causes the NRC staff to make a change (other than editorial) to the rule, CoC, or Technical Specifications.

For additional procedural information and the regulatory analysis, see the direct final rule published in the Rules and Regulations section of this issue of the **Federal Register**.

### III. Background

Section 218(a) of the Nuclear Waste Policy Act (NWPA) of 1982, as amended, requires that ''the Secretary [of the Department of Energy] shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the [Nuclear Regulatory] Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission.'' Section 133 of the NWPA states, in part, that ''[the Commission] shall, by rule, establish procedures for the licensing of any technology approved by the Commission under Section 219(a) [sic: 218(a)] for use at the site of any civilian nuclear power reactor.''

To implement this mandate, the Commission approved dry storage of spent nuclear fuel in NRC-approved casks under a general license by publishing a final rule, which added a new Subpart K within Title 10 of the Code of Federal Regulations (10 CFR) part 72, entitled ''General License for Storage of Spent Fuel at Power Reactor Sites'' (55 FR 29181; July 18, 1990). This rule also established a new Subpart L within 10 CFR part 72, entitled ''Approval of Spent Fuel Storage Casks,'' which contains procedures and criteria for obtaining NRC approval of spent fuel storage cask designs. The NRC subsequently issued a final rule on December 22, 1994 (59 FR 65898), that approved the Standardized NUHOMS® Cask System design and added it to the list of NRC-approved cask designs in 10 CFR 72.214 as CoC No. 1004.

### List of Subjects in 10 CFR Part 72

Administrative practice and procedure, Criminal penalties, Manpower training programs, Nuclear materials, Occupational safety and health, Penalties, Radiation protection, Reporting and recordkeeping requirements, Security measures, Spent fuel, Whistleblowing.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; the Nuclear Waste Policy Act of 1982, as amended, and 5 U.S.C. 553; the NRC is proposing to adopt the following amendments to 10 CFR part 72.

## PART 72—LICENSING REQUIREMENTS FOR THE INDEPENDENT STORAGE OF SPENT NUCLEAR FUEL, HIGH-LEVEL RADIOACTIVE WASTE, AND REACTOR-RELATED GREATER THAN CLASS C WASTE

■ 1. The authority citation for part 72 continues to read as follows:

**Authority:** Atomic Energy Act secs. 51, 53, 57, 62, 63, 65, 69, 81, 161, 182, 183, 184, 186, 187, 189, 223, 234, 274 (42 U.S.C. 2071, 2073, 2077, 2092, 2093, 2095, 2099, 2111, 2201, 2232, 2233, 2234, 2236, 2237, 2238, 2273, 2282, 2021); Energy Reorganization Act secs. 201, 202, 206, 211 (42 U.S.C. 5841, 5842, 5846, 5851); National Environmental Policy Act sec. 102 (42 U.S.C. 4332); Nuclear Waste Policy Act secs. 131, 132, 133, 135, 137, 141, 148 (42 U.S.C. 10151, 10152, 10153, 10155, 10157, 10161, 10168); sec. 1704, 112 Stat. 2750 (44 U.S.C. 3504 note); Energy Policy Act of 2005, Pub. L. 109–58, 119 Stat. 549 (2005).

Section 72.44(g) also issued under secs. Nuclear Waste Policy Act 142(b) and 148(c), (d) (42 U.S.C. 10162(b), 10168(c), (d)). Section 72.46 also issued under Atomic Energy Act sec. 189 (42 U.S.C. 2239); Nuclear Waste Policy Act sec. 134 (42 U.S.C. 10154). Section 72.96(d) also issued under Nuclear Waste Policy Act sec. 145(g) (42 U.S.C. 10165(g)). Subpart J also issued under Nuclear Waste Policy Act secs. 117(a), 141(h) (42 U.S.C. 10137(a), 10161(h)). Subpart K is also issued under sec. 218(a) (42 U.S.C. 10198).

■ 2. In § 72.214, Certificate of Compliance 1004 is revised to read as follows:

**§ 72.214 List of approved spent fuel storage casks.**

* * * * *

Certificate Number: 1004.

Initial Certificate Effective Date: January 23, 1995.

Amendment Number 1 Effective Date: April 27, 2000.

Amendment Number 2 Effective Date: September 5, 2000.

Amendment Number 3 Effective Date: September 12, 2001.

Amendment Number 4 Effective Date: February 12, 2002.

Amendment Number 5 Effective Date: January 7, 2004.

Amendment Number 6 Effective Date: December 22, 2003.

Amendment Number 7 Effective Date: March 2, 2004.

Amendment Number 8 Effective Date: December 5, 2005.

Amendment Number 9 Effective Date: April 17, 2007.

Amendment Number 10 Effective Date: August 24, 2009.

Amendment Number 11 Effective Date: January 7, 2014.

Amendment Number 12 Effective Date: Amendment not issued by the NRC.

Amendment Number 13 Effective Date: May 24, 2014.

SAR Submitted by: Transnuclear, Inc.

SAR Title: Final Safety Analysis Report for the Standardized NUHOMS® Horizontal Modular Storage System for Irradiated Nuclear Fuel.

Docket Number: 72–1004.

Certificate Expiration Date: January 23, 2015.

Model Number: NUHOMS®–24P, –24PHB, –24PTH, –32PT, –32PTH1, –37PTH, –52B, –61BT, –61BTH, and –69BTH.

* * * * *

Dated at Rockville, Maryland, this 30th day of December, 2013.

For the Nuclear Regulatory Commission.

**Michael F. Weber,**

*Acting Executive Director for Operations.*

[FR Doc. 2014–05107 Filed 3–7–14; 8:45 am]

BILLING CODE 7590–01–P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### 14 CFR Part 71

**[Docket No. FAA–2014–0032; Airspace Docket No. 13–AAL–5]**

## Proposed Amendment of Class E Airspace; Akutan, AK

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** This action proposes to modify the Class E airspace at Akutan Airport, Akutan, AK. Controlled airspace is necessary to accommodate new Area Navigation (RNAV) Global Positioning System (GPS) standard instrument approach procedures at the airport. The FAA is proposing this action to enhance the safety and management of aircraft operations at the airport.

**DATES:** Comments must be received on or before April 24, 2014.

**ADDRESSES:** Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590; telephone (202) 366–9826. You must identify FAA Docket No. FAA–2014–0032; Airspace Docket No. 13–AAL–5, at the beginning of your comments. You may also submit comments through the Internet at *http://www.regulations.gov.*

**FOR FURTHER INFORMATION CONTACT:** Richard Roberts, Federal Aviation Administration, Operations Support Group, Western Service Center, 1601 Lind Avenue SW., Renton, WA 98057; telephone (425) 203–4517.

**SUPPLEMENTARY INFORMATION:**

### 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 (FAA Docket No. FAA–2014–0032 and Airspace Docket No. 13–AAL–5) and be submitted in triplicate to the Docket Management System (see **ADDRESSES** section for address and phone number). You may also submit comments through the Internet at *http://www.regulations.gov.*

Commenters wishing the FAA to acknowledge receipt of their comments on this action must submit with those comments a self-addressed stamped postcard on which the following statement is made: ''Comments to FAA Docket No. FAA–2014–0032 and Airspace Docket No. 13–AAL–5''. The postcard will be date/time stamped and returned to the commenter.

All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this action may be changed in light of comments received. All comments submitted will be available for examination in the public docket both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

### Availability of NPRM's

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 the **ADDRESSES** section for the 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 Northwest Mountain Regional Office of the Federal Aviation Administration, Air Traffic Organization, Western Service Center, Operations Support Group, 1601 Lind Avenue SW., Renton, WA 98057.

Persons interested in being placed on a mailing list for future NPRM's should contact the FAA's Office of Rulemaking, (202) 267–9677, for a copy of Advisory Circular No. 11–2A, Notice of Proposed Rulemaking Distribution System, which describes the application procedure.

### The Proposal

The FAA is proposing an amendment to Title 14 Code of Federal Regulations (14 CFR) part 71 by modifying Class E airspace extending upward from 700 feet above the surface within a 4-mile radius of Akutan Airport, Akutan, AK, with segments extending from the 4-mile radius to 10 miles northwest, and 7 miles east of the airport, and another segment extending from the 4-mile radius to 6 miles northwest of the airport. Controlled airspace is needed for the new RNAV (GPS) standard instrument approaches and departures at the airport. This action would enhance the safety and management of aircraft operations at the airport.

Class E airspace designations are published in paragraph 6005, of FAA Order 7400.9X, dated August 7, 2013, and effective September 15, 2013, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document will be published subsequently in this Order.

The FAA has determined this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. Therefore, this proposed regulation; (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 this proposed rule, when promulgated, would not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

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 for 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 the 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 modify controlled airspace at Akutan Airport, Akutan, AK.

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**

Accordingly, pursuant to the authority delegated to me, 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 14 CFR Part 71 continues to read as follows:

**Authority:** 49 U.S.C. 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 the Federal Aviation Administration Order 7400.9W, Airspace Designations and Reporting Points, dated August 8, 2012, and effective September 15, 2012 is amended as follows:

*Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth*

* * * * *

**AAL AK E5 Akutan, AK [Modified]**

Akutan Airport, AK
(Lat. 54°08′41″ N., long. 165°36′15″ W.)

That airspace extending upward from 700 feet above the surface within a 4-mile radius of the Akutan Airport, and within 1 mile each side of the 313° bearing extending from the 4-mile radius to 6 miles northwest of the airport, and within 1-mile each side of the 298° bearing extending from the 4-mile radius to 10 miles northwest of the airport, and within 1-mile each side of the 99° bearing extending from the 4-mile radius to 7 miles east of the airport.

Issued in Seattle, Washington, on February 26, 2014.

**Clark Desing,**

*Manager, Operations Support Group, Western Service Center.*

[FR Doc. 2014–05133 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

### 21 CFR Part 573

**[Docket No. FDA–2014–F–0232]**

### Kemin Industries, Inc.; Filing of Food Additive Petition (Animal Use)

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice of petition.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing that Kemin Industries, Inc., has filed a petition proposing that the food additive regulations be amended to provide for the safe use of chromium propionate as a source of chromium in broiler feed.

**DATES:** Submit either electronic or written comments on the petitioner's request for categorical exclusion from preparing an environmental assessment or environmental impact statement by April 9, 2014.

**ADDRESSES:** 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.

**FOR FURTHER INFORMATION CONTACT:** Isabel W. Pocurull, Center for Veterinary Medicine, Food and Drug Administration, 7519 Standish Pl., Rockville, MD 20855, 240–453–6853.

**SUPPLEMENTARY INFORMATION:** Under the Federal Food, Drug, and Cosmetic Act (section 409(b)(5) (21 U.S.C. 348(b)(5)), notice is given that a food additive petition (FAP 2282) has been filed by Kemin Industries, Inc., 2100 Maury St., Des Moines, IA 50317. The petition proposes to amend Title 21 of the Code of Federal Regulations (CFR) in part 573 *Food Additives Permitted in Feed and Drinking Water of Animals* (21 CFR part 573) to provide for the safe use chromium propionate as a source of chromium in broiler feed.

The petitioner has requested a categorical exclusion from preparing an environmental assessment or environmental impact statement under 21 CFR 25.32(r). Interested persons may submit either electronic or a single copy of written comments regarding this request for categorical exclusion to the Division of Dockets Management (see **DATES** and **ADDRESSES**). 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.

Dated: March 5, 2014.

**Bernadette Dunham,**

*Director, Center for Veterinary Medicine.*

[FR Doc. 2014–05066 Filed 3–7–14; 8:45 am]

**BILLING CODE 4160–01–P**

## DEPARTMENT OF JUSTICE

### Bureau of Prisons

### 28 CFR Part 540

**[BOP Docket No. 1148–N]**

**RIN 1120–AB48**

### Communication Management Units

**AGENCY:** Bureau of Prisons, Justice.

**ACTION:** Proposed rule; Notice to Reopen Comment Period.

**SUMMARY:** In this document, the Bureau of Prisons (Bureau) reopens the comment period of the proposed rule published on April 6, 2010 (75 FR 17324) which proposed to establish and describe Communication Management Units (CMUs) by regulation. We now reopen the comment period for fifteen (15) additional days in order to allow inmates and interested parties additional opportunity to comment.

**DATES:** Written comments must be postmarked and electronic comments must be submitted on or before March 25, 2014. Comments received by mail will be considered timely if they are postmarked on or before that date. The electronic Federal Docket Management System (FDMS) will accept comments until Midnight Eastern Time at the end of that day.

**ADDRESSES:** Written comments should be submitted to the Rules Unit, Office of General Counsel, Bureau of Prisons, 320 First Street NW., Washington, DC 20534. You may view an electronic version of this regulation at *www.regulations.gov.* You may also comment by using the *www.regulations.gov* comment form for this regulation. When submitting comments electronically you must include the BOP Docket No. in the subject box.

**FOR FURTHER INFORMATION CONTACT:** Sarah Qureshi, Office of General Counsel, Bureau of Prisons, phone (202) 307–2105.

**SUPPLEMENTARY INFORMATION:**

**Posting of Public Comments**

Please note that all comments received are considered part of the public record and made available for public inspection online at *www.regulations.gov.* Such information includes personal identifying information (such as your name, address, etc.) voluntarily submitted by the commenter.

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, you must include the phrase ''PERSONAL IDENTIFYING INFORMATION'' in the first paragraph of your comment. You must also locate all the personal identifying information you do not want posted online 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 posted online, 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. If a comment has so much confidential business information that it cannot be effectively redacted, all or part of that comment may not be posted on *www.regulations.gov.*

Personal identifying information identified and located as set forth above will be placed in the agency's public docket file, but not posted online. Confidential business information identified and located as set forth above will not be placed in the public docket file. If you wish to inspect the agency's public docket file in person by appointment, please see the **FOR FURTHER INFORMATION CONTACT** paragraph.

**Discussion**

In this document, the Bureau of Prisons (Bureau) reopens the comment period of the proposed rule published on April 6, 2010 (75 FR 17324) (2010 proposed rule) which proposed to establish and describe Communication Management Units (CMUs) by regulation. We now reopen the comment period for fifteen (15) additional days in order to allow inmates and interested parties additional opportunity to comment. We do so in response to current ongoing litigation with which the Bureau has been involved. We reopen the comment period for 15 days instead of the typical 60-day length of a proposed rule comment period because the rule was previously open for a 60-day public comment period in 2010 and we received over 700 comments during that time. We now reopen the comment period for a limited time to allow further comments from interested parties while striving to expedite the regulation development process.

The 2010 proposed rule codifies and describes the Bureau's procedures for designating inmates to, and limiting communication within, its Communication Management Units (CMU). Currently, the Bureau operates two CMUs, separately located at the Federal Correctional Complex (FCC), Terre Haute, Indiana (established in December 2006), and the United States Penitentiary (USP), Marion, Illinois (established in March 2008). For further information, please see the proposed rule published on April 6, 2010 (75 FR 17324).

**List of Subjects in 28 CFR Part 540 Prisoners.**

Dated: March 4, 2014.

**Charles E. Samuels, Jr.,**

*Director, Bureau of Prisons.*

[FR Doc. 2014–05083 Filed 3–7–14; 8:45 am]

**BILLING CODE 4410–05–P**

## DEPARTMENT OF THE INTERIOR

## Office of Surface Mining Reclamation and Enforcement

## 30 CFR Part 943

**[SATS No. TX–066–FOR; Docket ID: OSM–2014–0001; S1D1SSS08011000SX066A000 67F134S180110; S2D2SSS08011000SX066A 00033F13XS501520]**

## Texas Regulatory Program

**AGENCY:** Office of Surface Mining Reclamation and Enforcement, Interior.

**ACTION:** Proposed rule; public comment period and opportunity for public hearing on proposed amendment.

**SUMMARY:** We, the Office of Surface Mining Reclamation and Enforcement (OSM), are announcing receipt of a proposed amendment to the Texas regulatory program (Texas program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Texas proposes revisions to its regulations regarding annual permit fees. Texas intends to revise its program to improve operational efficiency.

This document gives the times and locations that the Texas program and proposed amendment to that program are available for your inspection, the comment period during which you may submit written comments on the amendment, and the procedures that we will follow for the public hearing, if one is requested.

**DATES:** We will accept written comments on this amendment until 4:00 p.m., c.s.t., April 9, 2014. If requested, we will hold a public hearing on the amendment on April 4, 2014. We will accept requests to speak at a hearing until 4:00 p.m., c.s.t. on March 25, 2014.

**ADDRESSES:** You may submit comments, identified by SATS No. TX–066–FOR, by any of the following methods:

- Mail/Hand Delivery: Bill Joseph, Acting Director, Tulsa Field Office, Office of Surface Mining Reclamation and Enforcement, 1645 South 101st East Avenue, Suite 145, Tulsa, Oklahoma 74128–4629
- Fax: (918) 581–6419
- Federal eRulemaking Portal: *http://www.regulations.gov.* Follow the instructions for submitting comments.

*Instructions:* All submissions received must include the agency name and docket number for this rulemaking. For detailed instructions on submitting comments and additional information on the rulemaking process, see the ''Public Comment Procedures'' heading of the **SUPPLEMENTARY INFORMATION** section of this document.

*Docket:* For access to the docket to review copies of the Texas program, this amendment, a listing of any scheduled public hearings, and all written comments received in response to this document, you must go to the address listed below during normal business hours, Monday through Friday, excluding holidays. You may receive one free copy of the amendment by contacting OSM's Tulsa Field Office or going to *www.regulations.gov.*

Bill Joseph, Acting Director, Tulsa Field Office, Office of Surface Mining Reclamation and Enforcement, 1645 South 101st East Avenue, Suite 145, Tulsa, Oklahoma 74128–4629, Telephone: (918) 581–6430.

In addition, you may review a copy of the amendment during regular business hours at the following location: Surface Mining and Reclamation Division, Railroad Commission of Texas, 1701 North Congress Avenue, Capitol Station, P.O. Box 12967, Austin, Texas 78711–2967, Telephone: (512) 463–6900.

**FOR FURTHER INFORMATION CONTACT:** Acting Director, Tulsa Field Office. Telephone: (918) 581–6430.

**SUPPLEMENTARY INFORMATION:**

I. Background on the Texas Program
II. Description of the Proposed Amendment
III. Public Comment Procedures
IV. Procedural Determinations

### I. Background on the Texas Program

Section 503(a) of the Act permits a State to assume primacy for the regulation of surface coal mining and reclamation operations on non-Federal and non-Indian lands within its borders by demonstrating that its program includes, among other things, ''a State law which provides for the regulation of surface coal mining and reclamation operations in accordance with the requirements of this Act . . .; and rules

and regulations consistent with regulations issued by the Secretary pursuant to this Act.'' See 30 U.S.C. 1253(a)(1) and (7). On the basis of these criteria, the Secretary of the Interior conditionally approved the Texas program effective February 16, 1980. You can find background information on the Texas program, including the Secretary's findings, the disposition of comments, and the conditions of approval of the Texas program in the February 27, 1980, **Federal Register** (45 FR 12998). You can also find later actions concerning the Texas program and program amendments at 30 CFR 943.10, 943.15, and 943.16.

## II. Description of the Proposed Amendment

By letter dated December 19, 2103 (Administrative Record No. TX–703), Texas sent us an amendment to its program under SMCRA (30 U.S.C. 1201 *et seq.*) at its own initiative. Below is a summary of the changes proposed by Texas. The full text of the program amendment is available for you to read at the locations listed above under **ADDRESSES.**

Texas fully funds its share of costs to regulate the coal mining industry with fees paid by the coal industry. Texas charges four fees to meet these costs: a permit application fee and three annual permit fees. Texas estimates collecting $90,000 in permit application fees annually in each of FY 2014 and FY 2015, which is approximately 3 percent of their state share of costs. The three annual fees comprise the remaining approximately 97 percent of state share costs and are allocated by the following distribution: mined acreage fees (9 percent), bonded acreage fees (81 percent), and annual permit fees (7 percent).

Texas proposes to revise its regulation at 16 Texas Administrative Code (TAC) section 12.108(b) regarding annual permit fees by:

(1) Decreasing the amount of the fee from the current $154 to $84 for each acre of land within the permit area on which coal or lignite was actually removed during the calendar year,

(2) Increasing the amount of the fee from current $10.40 to $12 for each acre of land within a permit area covered by a reclamation bond on December 31st of the year, and

(3) Decreasing the amount of the fee from current $6,900 to $6,540 for each permit in effect on December 31st of the year.

The proposed fee revisions are intended to provide adequate funding to pay the State's cost of operating its regulatory program, and provide incentives for industry to accomplish reclamation and achieve bond release as quickly as possible.

## III. Public Comment Procedures

Under the provisions of 30 CFR 732.17(h), we are seeking your comments on whether the amendment satisfies the applicable program approval criteria of 30 CFR 732.15. If we approve the amendment, it will become part of the State program.

*Electronic or Written Comments*

If you submit written comments, they should be specific, confined to issues pertinent to the proposed regulations, and explain the reason for any recommended change(s). We appreciate any and all comments, but those most useful and likely to influence decisions on the final regulations will be those that either involve personal experience or include citations to and analyses of SMCRA, its legislative history, its implementing regulations, case law, other pertinent State or Federal laws or regulations, technical literature, or other relevant publications.

We cannot ensure that comments received after the close of the comment period (see **DATES**) or sent to an address other than those listed (see **ADDRESSES**) will be included in the docket for this rulemaking and considered.

*Public Availability of Comments*

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.

*Public Hearing*

If you wish to speak at the public hearing, contact the person listed under **FOR FURTHER INFORMATION CONTACT** by 4:00 p.m., c.s.t. on March 25, 2014. If you are disabled and need reasonable accommodations to attend a public hearing, contact the person listed under **FOR FURTHER INFORMATION CONTACT**. We will arrange the location and time of the hearing with those persons requesting the hearing. If no one requests an opportunity to speak, we will not hold a hearing.

To assist the transcriber and ensure an accurate record, we request, if possible, that each person who speaks at the public hearing provide us with a written copy of his or her comments. The public hearing will continue on the specified date until everyone scheduled to speak has been given an opportunity to be heard. If you are in the audience and have not been scheduled to speak and wish to do so, you will be allowed to speak after those who have been scheduled. We will end the hearing after everyone scheduled to speak and others present in the audience who wish to speak, have been heard.

*Public Meeting*

If only one person requests an opportunity to speak, we may hold a public meeting rather than a public hearing. If you wish to meet with us to discuss the amendment, please request a meeting by contacting the person listed under **FOR FURTHER INFORMATION CONTACT**. All such meetings are open to the public and, if possible, we will post notices of meetings at the locations listed under **ADDRESSES**. We will make a written summary of each meeting a part of the administrative record.

## IV. Procedural Determinations

*Executive Order 12866—Regulatory Planning and Review*

This rule is exempted from review by the Office of Management and Budget (OMB) under Executive Order 12866.

*Other Laws and Executive Orders Affecting Rulemaking*

When a State submits a program amendment to OSM for review, our regulations at 30 CFR 732.17(h) require us to publish a notice in the **Federal Register** indicating receipt of the proposed amendment, its text or a summary of its terms, and an opportunity for public comment. We conclude our review of the proposed amendment after the close of the public comment period and determine whether the amendment should be approved, approved in part, or not approved. At that time, we will also make the determinations and certifications required by the various laws and executive orders governing the rulemaking process and include them in the final rule.

## List of Subjects in 30 CFR Part 943

Intergovernmental relations, Surface mining.

Dated: January 10, 2014.

**Ervin J. Barchenger,**

*Regional Director, Mid-Continent Region.*

[FR Doc. 2014–04917 Filed 3–7–14; 8:45 am]

**BILLING CODE 4310–05–P**

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

**[EPA–R09–OAR–2014–0172; FRL–9907–53–Region–9]**

## Approval of Air Quality Implementation Plans; California; Ventura County Air Pollution Control District; Reasonably Available Control Technology for Ozone

**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 California for the Ventura County Air Pollution Control District (VCAPCD) portion of the California SIP. The submitted SIP revision contains the District's demonstration regarding Reasonably Available Control Technology (RACT) requirements for the 1997 8-hour ozone National Ambient Air Quality Standards (NAAQS). We are proposing to approve the submitted SIP revision under Clean Air Act as amended in 1990 (CAA or the Act). We are taking comments on this proposal and plan to follow with a final action.

**DATES:** Any comments must arrive by April 9, 2014.

**ADDRESSES:** Submit comments, identified by docket number EPA–R09–OAR–2014–0172, by one of the following methods:

1. *Federal eRulemaking Portal: www.regulations.gov*. Follow the on-line instructions.
2. *Email: steckel.andrew@epa.gov.*
3. *Mail or deliver:* Andrew Steckel (Air-4), U.S. Environmental Protection Agency Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901.

*Instructions:* All comments 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 Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Information that you consider CBI or otherwise protected should be clearly identified as such and should not be submitted through *www.regulations.gov* or email. *www.regulations.gov* is an ''anonymous access'' system, and EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send email directly to EPA, your email address will be automatically captured and included as part of the public comment. 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.

*Docket:* Generally, documents in the docket for this action are available electronically at *www.regulations.gov* and in hard copy at EPA Region IX, 75 Hawthorne Street, San Francisco, California. While all documents in the docket are listed at *www.regulations.gov,* some information may be publicly available only at the hard copy location (e.g., copyrighted material), and some may not be publicly available in either location (e.g., CBI). To inspect the hard copy materials, please schedule an appointment during normal business hours with the contact listed in the **FOR FURTHER INFORMATION CONTACT** section.

**FOR FURTHER INFORMATION CONTACT:** Stanley Tong, EPA Region IX, (415) 947–4122, *tong.stanley@epa.gov*.

**SUPPLEMENTARY INFORMATION:** Throughout this document, ''we,'' ''us'' and ''our'' refer to EPA.

### Table of Contents

I. The State's Submittal.
- A. What document did the State submit?
- B. Are there other versions of this document?
- C. What is the purpose of the RACT SIP submission?

II. EPA's Evaluation and Proposed Action.
- A. How is EPA evaluating the RACT SIP submission?
- B. Does the RACT SIP submission meet the evaluation criteria?
- C. EPA recommendations to strengthen the RACT SIP.
- D. Proposed action and public comment.

III. Statutory and Executive Order Reviews.

## I. The State's Submittal.

### *A. What document did the State submit?*

Table 1 lists the document addressed by this proposal with the date that it was adopted by the local air agency and submitted by the California Air Resources Board.

TABLE 1—SUBMITTED DOCUMENT

| Local agency | Document | Adopted | Submitted |
|---|---|---|---|
| VCAPCD ..... | Reasonably Available Control Technology State Implementation Plan Revision (2009 RACT SIP Revision) as adopted September 15, 2009 (''2009 RACT SIP''). | 9/15/09 | 11/17/09 |

VCAPCD's 2009 RACT SIP became complete by operation of law under CAA section 110(k)(1)(B) on May 17, 2010.

### *B. Are there other versions of this document?*

While there is no previous version of VCAPCD's 2009 RACT SIP in the SIP, VCAPCD adopted and we approved VCAPCD's 2006 RACT SIP analysis on April 21, 2009 (*74 FR 18148*).

### *C. What is the purpose of the RACT SIP submission?*

Volatile organic compounds (VOCs) and nitrogen oxides ($NO_X$) help produce ground-level ozone and smog, which harm human health and the environment. Section 110(a) of the CAA requires States to submit enforceable regulations that control VOC and $NO_X$ emissions. Sections 182(b)(2) and (f) require that SIPs for ozone nonattainment areas classified as moderate or above require implementation of RACT for any source covered by a Control Techniques Guideline (CTG) document and any other major stationary source of VOCs or $NO_X$. The VCAPCD is subject to this requirement as it is designated and classified as a serious ozone nonattainment area for the 1997 8-hour ozone NAAQS. 40 C.F.R. 81.305; *73 FR 29073* (May 20, 2008) (final rule designating and classifying Ventura County APCD as serious nonattainment for the 1997 8-hour ozone NAAQs). On December 3, 2012, (*77 FR 71551*) EPA published a final rule determining that Ventura County attained the 1997 8-hour ozone standard. EPA's attainment determination suspended the requirements for Ventura to submit an attainment demonstration and associated planning SIPs related to attainment of the 1997 8-hour ozone NAAQS for so long as the area continues to attain the standards, but did not suspend Ventura's obligation to meet the specific RACT control requirements under CAA 182(b)(2) and (f). 40 CFR 51.918. Therefore, VCAPCD must, at a minimum, adopt RACT-level

controls for all sources covered by a CTG document and for all major non-CTG sources of VOCs or $NO_X$. Any stationary source that emits or has a potential to emit at least 50 tons per year (tpy) of VOCs or $NO_X$ is a major stationary source in a serious ozone nonattainment area. CAA 182(c), (f).

Section IV.G. of EPA's final rule to implement the 1997 8-hour ozone NAAQS (70 FR 71612, November 29, 2005) discusses RACT requirements. It states in part that where a RACT SIP is required, States implementing the 8-hour standard generally must assure that RACT is met either through a certification that previously required RACT controls represent RACT for 8-hour implementation purposes or through a new RACT determination. The submitted document updates and supplements VCAPCD's 2006 RACT SIP analyses and demonstrates its compliance with 11 new or revised CTGs EPA issued between 2006 and 2008. EPA's technical support document (TSD) ''2009 RACT SIP TSD'' has more information about the District's submission and EPA's evaluation thereof.

## II. EPA's Evaluation and Proposed Action

*A. How is EPA evaluating the RACT SIP submission?*

Rules and guidance documents that we use to evaluate CAA section 182 RACT SIPs include the following:

1. ''Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 2'' (70 FR 71612; November 29, 2005).

2. ''State Implementation Plans, General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990'' (57 FR 13498; April 16, 1992).

3. *Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations: Clarification to Appendix D of November 24, 1987* **Federal Register**, May 25, 1988, U.S. EPA, Air Quality Management Division, Office of Air Quality Planning and Standards (''The Blue Book'').

4. *Guidance Document for Correcting Common VOC and Other Rule Deficiencies,* August 21, 2001, U.S. EPA Region IX (the ''Little Bluebook'').

5. ''State Implementation Plans; Nitrogen Oxides Supplement to the General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990'' (57 FR 55620, November 25, 1992) (''the $NO_X$ Supplement'').

6. RACT SIPs, Letter dated March 9, 2006 from EPA Region IX (Andrew Steckel) to CARB (Kurt Karperos) describing Region IX's understanding of what constitutes a minimally acceptable RACT SIP.

7. Memorandum from William T. Harnett to Regional Air Division Directors, (May 18, 2006), ''RACT Qs & As—Reasonably Available Control Technology (RACT) Questions and Answers.''

8. CTGs issued by EPA between 2006 and 2008 *http://www.epa.gov/glo/SIPToolkit/ctgs.html*.

With respect to major stationary sources, the Ventura County APCD nonattainment area is classified as ''serious'' nonattainment for the 1997 8-hour ozone NAAQS. While major sources in serious ozone nonattainment areas are defined as those emitting at least 50 tons per year (tpy) of VOC or $NO_X$ (CAA 182(c) and (f)), VCAPCD's 2009 RACT SIP analyzed major sources with at least 25 tpy of $NO_X$ or VOC.

*B. Does the RACT SIP submission meet the evaluation criteria?*

The 2009 RACT SIP updates and supplements the District's 2006 RACT SIP and provides the District's certification that the applicable SIP for the Ventura County APCD satisfies CAA section 182 RACT requirements for the 1997 8-hour ozone NAAQS for the 11 new or revised CTGs EPA issued between 2006 and 2008. This certification is based on the District's analyses of SIP-approved requirements that apply to: (1) new or revised CTGs issued between 2006 and 2008; and (2) all other major stationary sources of NOx or VOC emissions. VCAPCD's 2009 RACT SIP includes a detailed analysis of specific SIP rules including discussions of how those rules meet the applicable CTG for the 1997 8-hour ozone NAAQS.

Where there are no existing sources covered by a particular CTG document, states may, in lieu of adopting RACT requirements for those sources, adopt negative declarations certifying that there are no such sources in the relevant nonattainment area. Table 2 below lists all of the source categories for which VCAPCD's 2009 RACT SIP provides negative declarations.

TABLE 2—VCAPCD NEGATIVE DECLARATIONS

| CTG Source Category | CTG Document Title |
|---|---|
| Flat Wood Paneling Coatings | EPA–453/R06–004 *Control Techniques Guidelines for Flat Wood Paneling Coatings* |
| Large Appliance Coatings | EPA–453/R–07–004 *Control Techniques Guidelines for Large Appliance Coatings* |
| Paper, Film and Foil Coatings | EPA–453/R–07–003 *Control Techniques Guidelines for Paper, Film, and Foil Coatings* |
| Automobile and Light-Duty Truck Assembly Coatings | EPA–452/R–08–006 *Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings* |
| Miscellaneous Industrial Adhesives | EPA 453/R–08–005 *Control Techniques Guidelines for Miscellaneous Industrial Adhesives* |
| Flexible Package Printing | EPA 453/R–06–003 *Control Techniques Guidelines for Flexible Package Printing* |
| Metal Furniture Coatings | EPA 453/R–07–005 *Control Techniques Guidelines for Metal Furniture Coatings* |
| Fiberglass Boat Manufacturing Materials | EPA 453/R–08–004 *Control Techniques Guidelines for Fiberglass Boat Manufacturing Materials* |

We are proposing to find that VCAPCD's 2009 RACT SIP submission, including all of these negative declarations, adequately demonstrate that the 11 CTGs EPA issued between 2006 and 2008 are either covered by SIP rules which satisfy RACT for the 1997 8-hour ozone NAAQS or the District has adopted negative declarations certifying they have no sources subject to the specific CTG source category.

With respect to certain non-CTG source categories that are major stationary sources of $NO_X$ or VOC emissions, VCAPCD's 2009 RACT SIP states that ''since the 2006 RACT SIP considered CTG sources and major non-CTG VOC and $NO_X$ sources down to 25 tons per year, the 2006 RACT SIP is able to serve as the District's serious area RACT certification.'' [1]

Our review of CARB's 2006 and 2008 emissions inventory database for VCAPCD sources identified two additional sources (oil production and

[1] 2009 RACT SIP Attachment III page 3.

electrical power generation) exceeding the District's 25 tpy threshold for major sources but below the 50 tpy threshold for CAA serious ozone nonattainment areas. Both sources are covered by SIP-approved RACT rules. The electrical power generating station is covered by VCAPCD Rule 59 ''Electric Power Generating Equipment'' and operates two natural gas fired steam generators equipped with selective catalytic reduction and ammonia injection. The facility only operates when requested by the California Independent System Operator (CAISO). Since Rule 59 was last amended in 1997, it may be an area to investigate for potential emission reductions when the District next evaluates RACT for the 2008 8-hour ozone standard. Based on EPA's review of the District's evaluations, we propose to conclude that all of the 2006–2008 CTGs are either covered by SIP-approved rules which satisfy RACT for the 1997 8-hour ozone NAAQS or the District has adopted negative declarations where they do not have sources subject to a CTG. The TSD has more information on our evaluation.

*C. EPA Recommendations To Strengthen the RACT SIP*

We recommend VCAPCD investigate Rule 59 for potential emissions reductions when the District next evaluates RACT for the 2008 8-hour ozone standard. We discuss this recommendation further in our TSD.

*D. Proposed Action and Public Comment*

Based on the evaluations discussed above and more fully in our TSD, we are proposing to conclude that VCAPCD's 2009 RACT SIP satisfies CAA section 182 RACT requirements for the 1997 8-hour ozone NAAQS and to fully approve this submission into the California SIP pursuant to section 110(k)(3) of the Act. We will accept comments from the public on this proposal for the next 30 days. Unless we receive convincing new information during the comment period, we intend to publish a final approval action that will incorporate this RACT submission into the federally enforceable SIP.

## III. Statutory and Executive Order Reviews

Under the Clean Air Act, 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. This action 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 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 (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 with practical, appropriate, and legally permissible methods under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this proposed action 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, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

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

Dated: February 24, 2014.

**Jared Blumenfeld,**

*Regional Administrator, Region IX.*

[FR Doc. 2014–05102 Filed 3–7–14; 8:45 am]

**BILLING CODE 6560–50–P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

**[EPA–R01–OAR–2013–0509; A–1–FRL–9906–95–Region 1]**

## Approval and Promulgation of Air Quality Implementation Plans; New Hampshire; Decommissioning of Stage II Vapor Recovery Systems

**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 New Hampshire Department of Environmental Services. This revision includes regulatory amendments that require the decommissioning of Stage II vapor recovery systems at gasoline dispensing facilities by December 22, 2015, and a demonstration that such removal is consistent with the Clean Air Act and EPA guidance. The intended effect of this action is to propose approval of New Hampshire's revised vapor recovery regulation.

**DATES:** Written comments must be received on or before April 9, 2014.

**ADDRESSES:** Submit your comments, identified by Docket ID Number EPA–R01–OAR–2013–0509 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: ''Docket Identification Number EPA–R01–OAR–2013–0509,'' Anne Arnold, U.S. Environmental Protection Agency, EPA New England Regional Office, Office of Ecosystem Protection, Air Quality Planning Unit, 5 Post Office Square—Suite 100, (Mail code OEP05–2), Boston, MA 02109—3912.
5. Hand Delivery or Courier. Deliver your comments to: Anne Arnold, Manager, Air Quality Planning Unit, U.S. Environmental Protection Agency, EPA New England Regional Office, Office of Ecosystem Protection, Air Quality Planning Unit, 5 Post Office Square—Suite 100, (mail code OEP05–2), Boston, MA 02109–3912. Such deliveries are only accepted during the

Regional Office's normal hours of operation. The Regional Office's official hours of business are Monday through Friday, 8:30 to 4:30, excluding legal holidays.

*Instructions:* Direct your comments to Docket ID No. EPA–R01–OAR–2013–0509. 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 through *www.regulations.gov,* or email, information that you consider to be CBI or otherwise protected. 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 at Office of Ecosystem Protection, U.S. Environmental Protection Agency, EPA New England Regional Office, Office of Ecosystem Protection, Air Quality Planning Unit, 5 Post Office Square—Suite 100, Boston, MA. EPA requests that if at all possible, you contact the contact listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 to 4:30, excluding legal holidays.

In addition, copies of the state submittal are also available for public inspection during normal business hours, by appointment at the State Air Agency: Air Resources Division, Department of Environmental Services, 6 Hazen Drive, P.O. Box 95, Concord, NH 03302–0095.

**FOR FURTHER INFORMATION CONTACT:** Ariel Garcia, Air Quality Planning Unit, U.S. Environmental Protection Agency, EPA New England Regional Office, 5 Post Office Square, Suite 100 (mail code: OEP05–2), Boston, MA 02109–3912, telephone number (617) 918–1660, fax number (617) 918–0660, email *garcia.ariel@epa.gov.*

**SUPPLEMENTARY INFORMATION:** Throughout this document whenever ''we,'' ''us,'' or ''our'' is used, we mean EPA.

Organization of this document. The following outline is provided to aid in locating information in this preamble.

I. Background and Purpose
II. Summary of New Hampshire's Stage II Vapor Recovery Program SIP Revision.
III. EPA's Evaluation of New Hampshire's SIP Revision.
IV. Proposed Action.
V. Statutory and Executive Order Reviews.

## I. Background and Purpose

On June 18, 2013, the New Hampshire Department of Environmental Services submitted a revision to its State Implementation Plan (SIP). The SIP revision consists of New Hampshire's revised Env–Or 500, *Recovery of Gasoline Vapors* (formerly numbered Env–A 1205), and a demonstration that such removal is consistent with the Clean Air Act and EPA guidance. Stage II and onboard refueling vapor recovery (ORVR) systems are two types of emission control systems that capture fuel vapors from vehicle gas tanks during refueling. Stage II vapor recovery systems are installed at gasoline dispensing facilities (GDFs) and capture the refueling fuel vapors at the gasoline pump. The system carries the vapors back to the underground storage tank at the GDF to prevent the vapors from escaping to the atmosphere. ORVR systems are carbon canisters installed directly on automobiles to capture the fuel vapors evacuated from the gasoline tank before they reach the nozzle. The fuel vapors captured in the carbon canisters are then combusted in the engine when the automobile is in operation.

Stage II vapor recovery systems and vehicle ORVR systems were initially both required by the 1990 Amendments to the Clean Air Act (CAA). Section 182(b)(3) of the CAA requires moderate and above ozone nonattainment areas to implement Stage II vapor recovery programs. Also, under CAA section 184(b)(2), states in the Ozone Transport Region (OTR) are required to implement Stage II or comparable measures. CAA section 202(a)(6) required EPA to promulgate regulations for ORVR for light-duty vehicles (passenger cars). EPA adopted these requirements in 1994, at which point moderate ozone nonattainment areas were no longer subject to the CAA section 182(b)(3) Stage II vapor recovery requirements. ORVR equipment has been phased in for new passenger vehicles beginning with model year 1998, and starting with model year 2001 for light-duty trucks and most heavy-duty gasoline powered vehicles. ORVR equipment has been installed on nearly all new gasoline-powered light-duty vehicles, light-duty trucks, and heavy-duty vehicles since 2006.

During the phase-in of ORVR controls, Stage II has provided volatile organic compound (VOC) reductions in ozone nonattainment areas and certain attainment areas of the OTR. Congress recognized that ORVR systems and Stage II vapor recovery systems would eventually become largely redundant technologies, and provided authority to EPA to allow states to remove Stage II vapor recovery programs from their SIPs after EPA finds that ORVR is in ''widespread use.'' Effective May 16, 2012, the date the final rule was published in the **Federal Register** (see 77 FR 28772), EPA determined that ORVR systems are in widespread use nationwide for control of gasoline emissions during refueling of vehicles at GDFs. Currently, more than 75 percent of gasoline refueling nationwide occurs with ORVR-equipped vehicles, so Stage II vapor recovery programs have become largely redundant control systems and Stage II vapor recovery systems achieve an ever declining emissions benefit as more ORVR-equipped vehicles continue to enter the on-road motor vehicle fleet.[1] In its May 16, 2012 rulemaking, EPA also exercised its authority under CAA section 202(a)(6) to waive certain federal statutory requirements for Stage II vapor recovery systems at GDFs. This decision

[1] In areas where certain types of vacuum-assist Stage II vapor recovery systems are used, the differences in operational design characteristics between ORVR and some configurations of these Stage II vapor recovery systems result in the reduction of overall control system efficiency compared to what could have been achieved relative to the individual control efficiencies of either ORVR or Stage II emissions from the vehicle fuel tank.

exempts all new ozone nonattainment areas classified serious or above from the requirement to adopt Stage II vapor recovery programs. Finally, EPA's May 16, 2012 rulemaking also noted that any state currently implementing Stage II vapor recovery programs may submit SIP revisions that would allow for the phase-out of Stage II vapor recovery systems.

## II. Summary of New Hampshire's Stage II Vapor Recovery Program SIP Revision

New Hampshire adopted its Stage II Vapor Recovery Program in 1992 in order to satisfy the requirements of sections 182(b)(3) and 184(b)(2) of the CAA. The New Hampshire Stage II vapor recovery program requirements were codified in New Hampshire rule Env–A 1205, *Volatile Organic Compounds (VOC): Gasoline Dispensing Facilities and Gasoline Tank Trucks,* and EPA approved the program into the New Hampshire SIP on December 7, 1998 (63 FR 67405). New Hampshire's rule required gasoline dispensing facilities in Hillsborough, Merrimack, Rockingham, and Strafford counties to install Stage II vapor recovery systems. In addition, in a SIP revision dated July 9, 1998, New Hampshire identified comparable measures (a combination of emission reductions from the implementation of Stage II and reformulated gasoline) to meet the CAA section 184(b)(2) requirement for a state in the OTR to adopt Stage II or comparable measures. EPA approved New Hampshire section 184(b)(2) Stage II comparability demonstration on September 29, 1999 (64 FR 52434).

On June 18, 2013, New Hampshire submitted a SIP revision requesting the removal of its Stage II vapor recovery program from the New Hampshire SIP. The SIP revision consists of New Hampshire's revised regulation Env–Or 500, *Recovery of Gasoline Vapors,* formerly known as Env–A 1205. The revised rule exempts new dispensing facilities from the requirements to install Stage II vapor recovery systems and requires existing Stage II vapor recovery systems to be decommissioned by December 22, 2015.

The June 18, 2013 SIP revision also includes a narrative demonstration supporting the removal of the New Hampshire Stage II vapor recovery program. This demonstration consists of an analysis that the Stage II vapor recovery controls provide only *de minimis* emission reductions due to the prevalence of ORVR-equipped vehicles. This demonstration also highlights that EPA redesignated the ozone nonattainment area in southern New Hampshire to attainment for the 1997 ozone national ambient air quality standard (NAAQS) on January 31, 2013 (78 FR 6741) and that EPA designated the entire state of New Hampshire as unclassifiable/attainment for the 2008 ozone NAAQS (77 FR 30088; May 21, 2012).

## III. EPA's Evaluation of New Hampshire's SIP Revision

EPA has reviewed New Hampshire's revised regulation Env–Or 500, *Recovery of Gasoline Vapors,* and accompanying SIP narrative and has concluded that New Hampshire's June 18, 2013 SIP revision is consistent with EPA's widespread use rule (77 FR 28772; May 16, 2012) and EPA's ''Guidance on Removing Stage II Gasoline Vapor Control Programs from State Implementation Plans and Assessing Comparable Measures'' (EPA–457/B–12–001; August 7, 2012), hereafter referred to as EPA's Guidance Document.

New Hampshire's June 18, 2013 SIP revision includes a CAA section 110(l) anti-back sliding demonstration based on equations in EPA's Guidance Document. According to these calculations, the potential loss of refueling emission reductions from removing Stage II vapor recovery systems in 2012 (the effective date of the regulation amendments) is 9.36 percent, thus meeting the 10 percent *de minimis* recommendation in EPA's Guidance Document.

In addition, New Hampshire's ozone redesignation request, which EPA approved on January 31, 2013 (78 FR 6741), included a maintenance plan with future year emission estimates. The maintenance plan showed that estimated VOC and NOx emissions in 2012 and 2022 were less than the 2008 attainment year VOC and NOx emissions. The anticipated phase-out of New Hampshire's Stage II program was included in these emission projections. Therefore, the maintenance plan estimates also support the position that discontinuing the Stage II program does not interfere with maintenance of the ozone NAAQS.

Finally, New Hampshire's June 18, 2013 SIP revision also includes calculations illustrating that the overall emissions effect of removing the Stage II vapor recovery program would be an increase of 171 tons in 2012. EPA's 2011 National Emissions Inventory database, Version 1, illustrates that New Hampshire's statewide anthropogenic VOC emissions were 44,974 tons (see *www.epa.gov/ttn/chief/net/2011inventory.html*), therefore the 171 annual tons of VOC emissions increase calculated by New Hampshire are only about 0.4 percent of the total anthropogenic VOC emissions in New Hampshire. Also, these foregone emissions reductions in the near term continue to diminish rapidly over time as ORVR phase-in continues. Therefore, EPA believes that the resulting temporary increases in VOC emissions will not interfere with maintenance of the ozone NAAQS.

## IV. Proposed Action

EPA is proposing to approve New Hampshire's June 18, 2013 SIP revision. Specifically, EPA is proposing to approve the amended New Hampshire rule Env–Or 500, *Recovery of Gasoline Vapors,* and incorporate it into the New Hampshire SIP. EPA is proposing to approve this SIP revision because it meets all applicable requirements of the Clean Air Act and EPA guidance, and it will not interfere with attainment or maintenance of the ozone NAAQS.

EPA is soliciting public comments on the issues discussed in this notice or on other relevant matters. These comments will be considered before taking 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**.

## V. Statutory and Executive Order Reviews

Under the Clean Air Act, 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 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 (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, 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, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

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

**H. Curtis Spalding,**

*Regional Administrator, EPA New England.*

[FR Doc. 2014–04950 Filed 3–7–14; 8:45 am]

BILLING CODE 6560–50–P

# Notices

Federal Register
Vol. 79, No. 46
Monday, March 10, 2014

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.

## DEPARTMENT OF AGRICULTURE

### Agricultural Marketing Service

**[Document Number AMS–NOP–14–0006; NOP–14–02]**

### Notice of Meeting of the National Organic Standards Board

**AGENCY:** Agricultural Marketing Service, USDA.

**ACTION:** Notice of meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, as amended, (5 U.S.C. App.), the Agricultural Marketing Service (AMS) is announcing an upcoming meeting of the National Organic Standards Board (NOSB). Written public comments are invited in advance of the meeting, and the meeting will include scheduled time for oral comments from the public.

**DATES:** The meeting will be held April 29–May 2, 2014. April 29, April 30, and May 1 will run from 8 a.m. to 6 p.m. each day. May 2 will run from 8 a.m. to 12 p.m. The deadline to submit written public comments and sign up for oral public comments is Tuesday, April 8, 2014.

**ADDRESSES:** The meeting will take place at the St. Anthony Hotel, 300 East Travis Street, San Antonio, TX 78205, 210–227–4392. Information and instructions about the meeting are posted at the following Web address: *http://www.ams.usda.gov/NOSBMeetings.*

**FOR FURTHER INFORMATION CONTACT:** For printed materials or additional information, write to Ms. Michelle Arsenault, Special Assistant, National Organic Standards Board, USDA–AMS–NOP, 1400 Independence Ave. SW., Room 2648-So., Mail Stop 0268, Washington, DC 20250–0268; Phone: (202) 720–3252; Email: *nosb@ams.usda.gov.*

**SUPPLEMENTARY INFORMATION:** The NOSB makes recommendations about whether a substance should be allowed or prohibited in organic production and/or handling, assists in the development of standards for organic production, and advises the Secretary on other aspects of the implementation of the Organic Foods Production Act (7 U.S.C. 6501–6522). The NOSB currently has six subcommittees working on various aspects of the Organic Program. The subcommittees are: Compliance, Accreditation, and Certification; Crops; Handling; Livestock; Materials/Genetically Modified Organisms; and Policy Development. The primary purpose of the NOSB meetings is to provide an opportunity for the organic community to provide input on proposals and discussion items. The meetings also allow the NOSB to receive updates from the USDA National Organic Program (NOP) about issues pertaining to organic agriculture. The meeting will be open to the public. The meeting agenda, NOSB proposals and discussion documents, instructions for submitting and viewing public comments, and instructions for requesting a time slot for oral comments are available on the NOP Web site at *http://www.ams.usda.gov/NOSBMeetings.* The discussion documents and proposals encompass a wide range of topics, including: substances petitioned to the National List of Allowed and Prohibited Substances (National List), substances on the National List that require NOSB review within 5 years of such exemption or prohibition being adopted or reviewed, and updates from working groups on technical issues.

*Public Comments:* Written public comments will be accepted through Tuesday, April 8, 2014 via *www.regulations.gov.* Comments received after that date may not be reviewed by the NOSB before the meeting. The NOP strongly prefers comments to be submitted electronically; however, written comments may also be submitted by Tuesday, April 8, 2014 via mail to Ms. Michelle Arsenault, Special Assistant, National Organic Standards Board, USDA–AMS–NOP, 1400 Independence Ave. SW., Room 2648–S, Mail Stop 0268, Washington, DC 20250–0268. Instructions for viewing all comments are posted at *www.regulations.gov* and *http://www.ams.usda.gov/NOSBMeetings.*

The NOSB has scheduled time for oral comments from the public, and will accommodate as many individuals and organizations as possible. Individuals and organizations wishing to make oral presentations at the meeting must pre-register to request one time slot by visiting *http://www.ams.usda.gov/NOSBMeetings* or by calling (202) 720–0081. The deadline to sign up for an oral public comment slot is Tuesday, April 8, 2014. All persons making oral presentations should also provide their comments in advance through the written comment process. Written submissions may contain supplemental information other than that presented in the oral presentation. Persons submitting written comments at the meeting are asked to provide two hard copies.

*Meeting Accommodations:* The meeting hotel is ADA Compliant, and the USDA provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in this public meeting, please notify Michelle Arsenault at *michelle.arsenault@ams.usda.gov* or (202) 720–0081. Determinations for reasonable accommodation will be made on a case-by-case basis.

Dated: February 11, 2014.

**Rex A. Barnes,**

*Associate Administrator, Agricultural Marketing Service.*

[FR Doc. 2014–05111 Filed 3–7–14; 8:45 am]

**BILLING CODE 3410–02–P**

## DEPARTMENT OF AGRICULTURE

### Forest Service

### Hiawatha East Resource Advisory Committee

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of meetings.

**SUMMARY:** The Hiawatha East Resource Advisory Committee will meet in Kincheloe, Michigan. The committee is meeting as authorized under the Secure Rural Schools and Community Self-Determination Act (Pub. L. 112–141) and in compliance with the Federal Advisory Committee Act. The purpose of the committee is to improve collaborative relationships and to provide advice and recommendations to the Forest Service concerning projects

and funding consistent with the title II of the Act. The meetings are open to the public. The purpose of the meetings is to review and vote to recommend projects authorized under title II of the Act.

**DATES:** The meetings will be held April 17, 2014; May 22, 2014; June 19, 2014; July 17, 2014; August 21, 2014; and September 18, 2014. All meetings will begin at 6:00 p.m.

**ADDRESSES:** The meetings will be held at Chippewa County 911 Center, 4657 West Industrial Park Drive, Kincheloe, MI. 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.

**FOR FURTHER INFORMATION CONTACT:** Janel Crooks, RAC coordinator, USDA, Hiawatha National Forest, 820 Rains Drive, Gladstone, Michigan 49837; (906) 428–5829; Email *HiawathaNF@fs.fed.us.* 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 meeting is open to the public. The following business will be conducted: (1) Update regarding implementation of 2008–2011 Projects; (2) Secure Rural Schools 2012 and 2013 Update; (3) Review and discussion of proposals for 2012 and 2013; (4) Public Comment. Persons who wish to bring related matters to the attention of the Committee may file written statements with the Committee staff before or after the meeting. The agenda will include time for people to make oral statements of three minutes or less. Individuals wishing to make an oral statement should request in writing no later than two weeks prior to the meeting, to be scheduled on the agenda. Written comments and requests for time for oral comments must be sent to Hiawatha National Forest; attn RAC; 820 Rains Drive, Gladstone, MI 49837, or by email to *HiawathaNF@fs.fed.us* or via facsimile to 906–428–9030 A summary of the meetings will be posted at *http://www.fs.usda.gov/goto/hiawatha/EastRAC* within 21 days of the meeting.

*Meeting Accommodations:* If you are a person requiring reasonable accomodation, please make requests in advance for sign language interpreting, assistive listening devices or other reasonable accomodation for access to the facility or procedings by contacting the person listed under **FOR FURTHER INFORMATION CONTACT.** All reasonable accommodation requests are managed on a case by case basis.

Dated: February 26, 2014.

**James D. Ozenberger,**

*Designated Federal Officer.*

[FR Doc. 2014–05070 Filed 3–7–14; 8:45 am]

**BILLING CODE 3410–11–P**

## DEPARTMENT OF AGRICULTURE

### Rural Housing Service

### U.S. Department of Agriculture Multi-Family Housing Program 2014 Industry Forums—Open Teleconference and/or Web Conference Meetings

**AGENCY:** Rural Housing Service, USDA.

**ACTION:** Announcement of meetings.

**SUMMARY:** This Notice announces a series of Teleconferences and/or Web Conference Meetings regarding the USDA Multi-Family Housing Program. The Teleconference and/or Web Conference Meetings will be scheduled on a quarterly basis, but may be held more often at the Agency's discretion. This Notice also outlines suggested discussion topics for the meetings and is intended to notify the general public of their opportunity to participate in the Teleconference and/or Web Conference Meetings.

**DATES:** Teleconference and/or Web Conference Meetings are scheduled to occur during the months of March, June, September and December of 2014. The dates and times for the Teleconference and/or Web Conference Meetings will be announced via email to parties registered as described below.

**FOR FURTHER INFORMATION CONTACT:** Any member of the public wishing to register for the meetings and obtain the call-in number, access code, web link and other information for any of the public Teleconference and/or Web Conference Meetings may contact Timothy James, Loan and Finance Analyst, Multi-Family Housing, (919) 873–2056, fax at (202) 720–0302, or email *timothy.james@wdc.usda.gov* and provide their name, title, Agency/company name, address, telephone numbers and email address. Persons who are already registered do not need to register again.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.)

Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720–2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW., STOP 9410, Washington, DC 20250–9410 or call toll free at (866) 632–9992 (English) or (800) 877–8339 (TTD) or (866) 377–8642 (English Federal-relay) or (800) 845–6136 (Spanish Federal-relay).

USDA is an equal opportunity provider and employer.

**SUPPLEMENTARY INFORMATION:** The objectives of this series of teleconferences are as follows:

- Enhance the effectiveness of the Multi-Family Housing Program
- Establish a two-way communications forum to update industry participants and Rural Housing Service (RHS) staff
- Enhance RHS' awareness of issues that impact the Multi-Family Housing Program
- Increase transparency and accountability in the Multi-Family Housing Program

Topics to be discussed could include, but will not be limited to, the following:

- Updates on USDA Multi-Family Housing Program activities
- Perspectives on the Multi-Family Housing Notice of Funds Availability processes
- Comments on Section 514/516 and Section 515 transaction processes
- Comments on particular servicing-related activities of interest at that time

Dated: February 27, 2014.

**Tony Hernandez,**

*Administrator, Rural Housing Service.*

[FR Doc. 2014–05090 Filed 3–7–14; 8:45 am]

**BILLING CODE 3410–XV–P**

## COMMISSION ON CIVIL RIGHTS

### Agenda and Notice of Public Meeting of the Georgia Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act (FACA) that a meeting of the Georgia Advisory Committee (Committee) to the Commission will convene at 10:00 a.m. and adjourn at approximately 11:30 a.m.

on Tuesday, April 1, 2014. The meeting will be held at the Latin American Association, 2750 Buford Highway, Atlanta, GA 30324. The purpose of the meeting is for the Committee to discuss its report to the Commission on immigration reform and plan future activities.

Members of the public are entitled to submit written comments. Comments must be received in the regional office by May 1, 2014. Comments may be mailed to the Southern Regional Office, U.S. Commission on Civil Rights, 61 Forsyth St. SW., Suite 16T126, Atlanta, GA 30303. They may also be faxed to the Committee at (404) 562–7005 or emailed to Peter Minarik at *pminarik@usccr.gov*. Persons who desire additional information may contact the Southern Regional Office at (404) 562–7000.

Hearing-impaired persons who will attend the meeting and require the services of a sign language interpreter should contact the Southern Regional Office at least ten (10) working days before the scheduled date of the meeting.

Records generated from this meeting may be inspected and reproduced at the Southern Regional Office, as they become available, both before and after the meeting. Persons interested in the work of this advisory committee are advised to go to the Commission's Web site, *www.usccr.gov,* or to contact the Southern Regional Office at the above email or street address.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission and FACA.

Dated: March 4, 2014.

**David Mussatt,**

*Acting Chief, Regional Programs Coordination Unit.*

[FR Doc. 2014–05015 Filed 3–7–14; 8:45 am]

**BILLING CODE 6335–01–P**

## DEPARTMENT OF COMMERCE

### 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:* Comprehensive Socioeconomic Data Collection from Alaskan Communities.

*OMB Control Number:* 0648–0626.

*Form Number(s):* NA.

*Type of Request:* Regular submission (revision and extension of a current information collection).

*Number of Respondents:* 250.

*Average Hours per Response:* 1 hour.

*Burden Hours:* 261.

*Needs and Uses:* This request is for revision and extension of a current information collection.

The purpose of this data collection program is to improve commercial fisheries socio-economic data for North Pacific fisheries, using the community as the unit of reporting and analysis. Communities are often the focus of policy mandates (e.g., National Standard 8 of the Magnuson-Stevens Fisheries Management Act (MSA), social impact assessments under the National Environmental Policy Act and MSA, North Pacific Fishery Management Council (NPFMC) programmatic management goals, etc.) and are frequently a recognized stakeholder in NPFMC deliberations and programs. However, much of the existing commercial socio-economic data is collected and organized around different units of analysis, such as counties (boroughs), fishing firms, vessels, sectors, and gear groups. It is often difficult to aggregate or disaggregate these data for analysis at the individual community or regional level. In addition, at present, some relevant community level socio-economic data are simply not collected at all. The NPFMC, the Alaska Fisheries Science Center (AFSC), and community stakeholder organizations, have identified ongoing collection of community level economic and socio-economic information, specifically related to commercial fisheries, as a priority.

The proposed data collection is a continuation of a program collecting data since 2011, with some changes to the survey instrument. Data collected includes information on community revenues based in the fisheries economy, population fluctuations, vessel expenditures in ports, fisheries infrastructure available in the community, support sector business operations in the community, community participation in fisheries management, effects of fisheries management decisions on the community, and demographic information on commercial fisheries participants from the community. The information collected in this program will capture the most relevant and pressing types of data needed for socio-economic analyses of communities.

*Affected Public:* State, local and tribal governments.

*Frequency:* Biennially.

*Respondent's Obligation:* Voluntary.

This information collection request may be viewed at *reginfo.gov*. Follow the instructions to review 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: March 4, 2014.

**Gwellnar Banks,**

*Management Analyst, Office of the Chief Information Officer.*

[FR Doc. 2014–05045 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### Foreign-Trade Zones Board

**[B–94–2013]**

### Foreign-Trade Zone 99—Wilmington, Delaware, Authorization of Production Activity, Noramco, Inc., (Pharmaceuticals), Wilmington, Delaware

On November 4, 2013, the Delaware Economic Development Office, grantee of FTZ 99, submitted a notification of proposed production activity to the Foreign-Trade Zones (FTZ) Board on behalf of Noramco, Inc., within Subzone 99F, in Wilmington, Delaware.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (78 FR 68026–68027, 11–13–2013). The FTZ Board has determined that no further review of the activity is warranted at this time. The production activity described in the notification is authorized, subject to the FTZ Act and the Board's regulations, including Section 400.14.

Dated: March 4, 2014.

**Andrew McGilvray,**

*Executive Secretary.*

[FR Doc. 2014–05139 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–DS–P**

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–489–805]**

### Certain Pasta From Turkey: Notice of Initiation of Antidumping Duty New Shipper Review

**AGENCY:** Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (the Department) received a request for a new shipper review of the antidumping duty order [1] on certain pasta from Turkey.[2] In accordance with section 751(a)(2)(B) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214, we are initiating an antidumping duty new shipper review of Beşsan Makarina Gida San. Ve Tic. A.S. (Beşsan). The period of review (POR) of this new shipper review is July 1, 2013, through January 31, 2014.

**DATES:** *Effective Date:* March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Tyler Weinhold or Robert James, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone: (202) 482–1121 or (202) 482–0649, respectively.

**SUPPLEMENTARY INFORMATION:**

#### Background

On July 24, 1996, the Department published the antidumping duty order on certain pasta from Turkey.[3] Thus, the antidumping duty order on certain pasta from the Turkey has a January semi-annual anniversary month. On January 31, 2014, the Department received a timely filed request for a new shipper review from Beşsan. In its request for a review, Beşsan identified itself as both a producer and exporter of the subject merchandise which was exported to the United States.

Pursuant to the requirements set forth in section 751(a)(2)(B)(i) of the Act and 19 CFR 351.214(b)(2), Beşsan certified that (1) it did not export subject merchandise to the United States during the period of investigation (POI); and (2) since the initiation of the investigation, it has never been affiliated with any company that exported subject merchandise to the United States during the POI, including those companies not individually examined during the investigation.[4] Additionally, in accordance with 19 CFR 351.214(b)(2)(iv), Beşsan submitted documentation establishing: (1) The date on which it first shipped subject merchandise to the United States; (2) the volume of its first shipment; and (3) the date of its first sale to a U.S. purchaser for export to the United States.[5]

We note that although Beşsan submitted documentation regarding the volume of its shipment and the date of their first sale to an unaffiliated customer in the United States, our customs query shows that Beşsan's shipment appears to have entered the United States shortly after the semi-annual anniversary month. Under 19 CFR 351.214(f)(2)(ii), when the sale of the subject merchandise occurs within the normal POR, but the entry occurs after the normal POR, the POR may be extended unless it would be likely to prevent the completion of the review within the time limits set by the Department's regulations. The preamble to the Department's regulations states that both the entry and the sale should occur during the POR, and that under ''appropriate'' circumstances the Department has the flexibility to extend the POR.[6] In this instance, Beşsan's shipment appears to have entered during the month following the end of the normal POR. The Department does not find that this delay would be likely to prevent the completion of the review within the time limits set by the Department's regulations.

#### Initiation of Review

Based on information on the record and in accordance with section 751(a)(2)(B) of the Act, and 19 CFR 351.214(d), we find that the request meets the statutory and regulatory requirements for initiation of a new shipper review.[7] Accordingly, we are initiating a new shipper review of the antidumping duty order on pasta from Turkey produced and exported by Beşsan, for the period July 1, 2013, through January 31, 2014.

If the Department subsequently determines, based on information collected, that a new shipper review for Beşsan is not warranted, the Department will either rescind the review or apply facts available pursuant to section 776 of the Act, as appropriate.

We intend to issue the preliminary results of this review no later than 180 days after the date on which this review is initiated, and the final results within 90 days after the date on which we issue the preliminary results.[8]

We will instruct CBP to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for certain entries of the subject merchandise produced and exported by Beşsan in accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e). Because Beşsan certified that it produces and exports the subject merchandise, the sale of which forms the basis for its new shipper review request, we will instruct CBP to permit the use of a bond only for entries of subject merchandise which Beşsan produced and exported.

Interested parties may submit applications for disclosure under administrative protective order in accordance with 19 CFR 351.305 and 351.306.

This initiation and this notice are issued and published in accordance with section 751(a)(2)(B) of the Act and 19 CFR 351.214 and 351.221(c)(1)(i).

Dated: February 27, 2014.

**Christian Marsh,**

*Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.*

[FR Doc. 2014–05230 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–DS–P**

[1] *See Notice of Antidumping Duty Order and Amended Final Determination of Sales at Less Than Fair Value: Certain Pasta From Turkey,* 61 FR 38545 (July 24, 1996) (*Order*).

[2] *See* Letter from Beşsan, ''Request for New Shipper Review; Antidumping Duty Order Involving Certain Pasta from Turkey,'' (January 31, 2014) (Beşsan's Request).

[3] *See Order.*

[4] *See* Beşsan's Request at 2 and Exhibit 1.

[5] For more information, *see* Memorandum from Tyler Weinhold, through Robert James, to the file, ''Initiation of Antidumping Duty New Shipper Review: Pasta from Turkey,'' dated concurrently with this notice (Initiation Checklist).

[6] *See Antidumping Duties; Countervailing Duties; Final Rule,* 62 FR 27296, 27319–27320 (May 19, 1997).

[7] *See* Initiation Checklist.

[8] *See* section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.214(h)(i).

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–580–836]**

### Certain Cut-to-Length Carbon-Quality Steel Plate Products From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2012–2013

**AGENCY:** Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain cut-to-length carbon-quality steel plate

products (CTL plate) from the Republic of Korea (Korea). The period of review (POR) is February 1, 2012, through January 31, 2013. The Department preliminarily determines that the producers/exporters subject to this review made sales of subject merchandise at less than normal value or had no shipments of subject merchandise.[1] We invite interested parties to comment on these preliminary results.

**DATES:** *Effective Date:* March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Yang Jin Chun, 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) 482–5760.

## Scope of the Order

The products covered by the antidumping duty order are certain CTL plate. Imports of CTL plate are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 7208.40.30.30, 7208.40.30.60, 7208.51.00.30, 7208.51.00.45, 7208.51.00.60, 7208.52.00.00, 7208.53.00.00, 7208.90.00.00, 7210.70.30.00, 7210.90.90.00, 7211.13.00.00, 7211.14.00.30, 7211.14.00.45, 7211.90.00.00, 7212.40.10.00, 7212.40.50.00, 7212.50.00.00, 7225.40.30.50, 7225.40.70.00, 7225.50.60.00, 7225.99.00.90, 7226.91.50.00, 7226.91.70.00, 7226.91.80.00, and 7226.99.00.00. While the HTSUS subheadings are provided for convenience and customs purposes, the written description is dispositive. A full description of the scope of the order is contained in the Preliminary Decision Memorandum.[2]

## Preliminary Determination of No Reviewable Entries

We received timely submissions of letters from Daewoo International Corp. (Daewoo), Dongbu Steel Co., Ltd. (Dongbu), GS Global Corp. (GS Global), Hyosung Corporation (Hyosung), and Hyundai Steel Co. (Hyundai Steel) reporting to the Department that they had no exports, sales or entries of subject merchandise to the United States during the POR.[3] Based on record evidence, we preliminarily determine that Daewoo, Dongbu, GS Global, Hyosung, and Hyundai Steel had no reviewable entries during the POR. For additional information on our preliminary determination of no reviewable entries, *see* the Preliminary Decision Memorandum.

## Methodology

We selected one company for individual examination in this administrative review, Dongkuk Steel Mill Co., Ltd. (DSM). The Department conducted this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act). Constructed export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *https://iaaccess.trade.gov,* and is available to all parties in the Department's Central Records Unit, located at room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at *http://enforcement.trade.gov/frn/.* The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

## Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the respondents for the period February 1, 2012, through January 31, 2013. The rate for the companies not selected for individual examination is equal to the weighted-average dumping margin for the selected respondent, DSM.

| Manufacturer/exporter | Weighted-average dumping margin (percent) |
|---|---|
| Dongkuk Steel Mill Co., Ltd .. | 4.64 |
| Edgen Murray Corporation ... | 4.64 |
| Kyoungil Co., Ltd ..... | 4.64 |
| Samsung C&T Corp ..... | 4.64 |
| Samwoo EMC Co., Ltd ..... | 4.64 |
| TCC Steel Corp ..... | 4.64 |

## Disclosure and Public Comment

Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.[4] Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.[5]

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically *via* IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.[6] Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department will issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

## Assessment Rates

If DSM's weighted-average dumping margin continues to be above *de minimis* in the final results of this review, we will calculate an importer-specific assessment rate on the basis of the ratio of the total amount of antidumping duties calculated for the importer's examined sales and the total entered value of the sales in accordance

[1] The deadline for the preliminary results of this review was March 3, 2014. Due to the closure of the Federal Government in Washington, DC on March 3, 2014, the Department reached this determination on the next business day (*i.e.,* March 4, 2014). *See Notice of Clarification: Application of ''Next Business Day'' Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended,* 70 FR 24533 (May 10, 2005).

[2] *See* the memorandum from Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Preliminary Decision Memorandum for the Administrative Review of the Antidumping Duty Order on Certain Cut-to-Length Carbon-Quality Steel Plate Products from the Republic of Korea'' dated concurrently with this notice (Preliminary Decision Memorandum), which is hereby adopted by this notice.

[3] *See* the letters from Daewoo, Dongbu, GS Global, Hyosung, and Hyundai Steel dated May 10, 2013, April 10, 2013, May 15, 2013, May 23, 2013, and May 15, 2013, respectively.

[4] *See* 19 CFR 351.309(d).

[5] *See* 19 CFR 351.309(c)(2) and (d)(2).

[6] *See* 19 CFR 351.310(c).

with 19 CFR 351.212(b)(1).[7] If DSM's weighted-average dumping margin is zero or *de minimis* in the final results of review, we will instruct U.S. Customs and Border Protection (CBP) not to assess duties on any of its entries in accordance with the *Final Modification for Reviews*.[8]

The Department clarified its ''automatic assessment'' regulation on May 6, 2003. This clarification will apply to entries of subject merchandise during the POR produced by DSM, which is the company selected for individual examination in this review, for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) 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).

In the final results of this review, if we continue to find that Daewoo, Dongbu, GS Global, Hyosung, and Hyundai Steel had no reviewable transactions of subject merchandise, we will instruct CBP to liquidate any existing entries of merchandise produced by these companies but exported by other companies at the all-others rate.[9]

For the companies which were not selected for individual examination, Edgen Murray Corporation, Kyoungil Co., Ltd., Samsung C&T Corp., Samwoo EMC Co., Ltd., and TCC Steel Corp., we will instruct CBP to apply the rates listed above to all entries of subject merchandise produced and/or exported by those firms.

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

**Cash Deposit Requirements**

The following deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of CTL plate from Korea entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2) of the Act: (1) The cash deposit rate for companies subject to this review will be the rate established in the final results of this administrative 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 recent period; (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 recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will continue to be 0.98 percent,[10] the all-others rate established in the less-than-fair-value investigation, adjusted for the export-subsidy rate in the companion countervailing duty investigation. These cash deposit requirements, when imposed, shall remain in effect until further notice.

**Notification to Importers**

This notice serves as a preliminary 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 POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

The Department is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: March 4, 2014.

**Paul Piquado,**

*Assistant Secretary for Enforcement and Compliance.*

**Appendix—List of Topics Discussed in the Preliminary Decision Memorandum**

A. Summary
B. Background
C. Scope of the Order
D. Preliminary Determination of No Reviewable Entries
E. Rates for Respondents Not Selected for Individual Examination
F. Comparisons to Normal Value
G. Determination of Comparison Method
H. Results of the Differential Pricing Analysis
I. Product Comparisons
J. Date of Sale
K. Level of Trade/CEP Offset
L. Constructed Export Price
M. Normal Value
  1. Overrun Sales
  2. Selection of Comparison Market
  3. Affiliated Parties
  4. Affiliated Party Transactions and Arm's-Length Test
  5. Cost of Production
  6. Calculation of Normal Value Based on Comparison Market Prices
N. Currency Conversion
O. Recommendation

[FR Doc. 2014–05140 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–DS–P**

[7] In these preliminary results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification,* 77 FR 8101 (February 14, 2012) (*Final Modification for Reviews*).

[8] *See Final Modification for Reviews,* 77 FR at 8102.

[9] See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties,* 68 FR 23954 (May 6, 2003).

[10] *See, e.g., Certain Cut-to-Length Carbon-Quality Steel Plate Products From the Republic of Korea: Final Results of Antidumping Duty Administrative Review; 2011–2012,* 78 FR 29113, 29114 (May 17, 2013).

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–570–928, A–791–821, A–552–803]**

### Uncovered Innerspring Units From the People's Republic of China, South Africa, and Socialist Republic of Vietnam: Final Results of the Expedited Sunset Reviews of the Antidumping Duty Orders

**AGENCY:** Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

**SUMMARY:** On November 1, 2013, the Department of Commerce (the Department) published the initiation of the first five-year (sunset) reviews of the antidumping duty orders on uncovered innerspring units from the People's Republic of China (PRC), South Africa, and Socialist Republic of Vietnam (Vietnam) pursuant to section 751(c) of the Tariff Act of 1930 (the Act), as amended.[1] The Department finds that revocation of these antidumping duty orders would be likely to lead to the continuation or recurrence of dumping as indicated in the ''Final Results of Sunset Reviews'' section of this notice.

**DATES:** *Effective Date:* March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Catherine Cartsos or Minoo Hatten, 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) 482–1757 or (202) 482–1690, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

The Department received a notice of intent to participate in these sunset reviews from Leggett & Platt,

[1] *See Initiation of Five-Year (''Sunset'') Review,* 78 FR 65711 (November 1, 2013) (*Notice of Initiation*).

Incorporated (the domestic interested party), within the 15-day period specified in 19 CFR 351.218(d)(1)(i). The domestic interested party claimed interested party status under section 771(9)(C) of the Act as a producer of the domestic like product.

The Department received an adequate substantive response to the *Notice of Initiation* from the domestic interested party within the 30-day period specified in 19 CFR 351.218(d)(3)(i). The Department received no substantive response from any respondent interested parties. In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), the Department conducted expedited (120-day) sunset reviews of the antidumping duty orders on uncovered innerspring units from the PRC, South Africa, and Vietnam.[2]

**Scope of the Orders**

The products subject to these orders are uncovered innerspring units composed of a series of individual metal springs joined together in sizes corresponding to the sizes of adult mattresses (*e.g.,* twin, twin long, full, full long, queen, California king, and king) and units used in smaller constructions, such as crib and youth mattresses. The complete scope language of these orders is listed in the Issues and Decision Memorandum,[3] which is hereby adopted by this notice. The products subject to the orders are currently classifiable under subheading 9404.29.9010 and have also been classified under subheadings 9404.10.0000, 7326.20.0070, 7320.20.5010, or 7320.90.5010 of the Harmonized Tariff Schedule of the United States (HTSUS). On January 11, 2011, the Department included the 9404.29.9005 and 9404.29.9011 HTSUS classification number to the customs case reference file, pursuant to a request by U.S. Customs and Border Protection (CBP). On January 7, 2013, the Department included the 7326.20.0071 HTSUS classification number to the customs case reference file, pursuant to a request by CBP. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of these orders is dispositive.

**Analysis of Comments Received**

All issues raised in these reviews are addressed in the Issues and Decision Memorandum, including the likelihood of continuation or recurrence of dumping in the event of revocation and the magnitude of dumping margins likely to prevail if the orders were revoked. Parties can find a complete discussion of all issues raised in these reviews and the corresponding recommendations in this public memorandum, which is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Services System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov* and is available to all parties in the Central Records Unit in Room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at *http://enforcement.trade.gov/frn/.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

**Final Results of Sunset Reviews**

The Department determines that revocation of the antidumping duty orders on uncovered innerspring units from the PRC, South Africa, and Vietnam would be likely to lead to the continuation or recurrence of dumping at the following weighted-average percentage margins:

| Manufacturers/producers/exporters | Weighted-average margin (percent) |
|---|---|
| PRC: | |
| Foshan Jingxin Steel Wire & Spring Co., Ltd | 234.51 |
| Exporters with a separate rate | 164.75 |
| PRC-wide Rate | 234.51 |
| South Africa: | |
| Bedding Component Manufacturers (Pty) Ltd. | 121.39 |
| All others | 121.39 |
| Vietnam: | |
| Vietnam-wide Rate | 116.31 |

**Notification to Interested Parties**

This notice serves as the only 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). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

The Department is issuing and publishing the final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act and 19 CFR 351.221(c)(5)(ii).

Dated: February 28, 2014.

**Paul Piquado,**

*Assistant Secretary for Enforcement and Compliance.*

[FR Doc. 2014–05144 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–DS–P**

[2] *See Uncovered Innerspring Units from the People's Republic of China: Notice of Antidumping Duty Order,* 74 FR 7661 (February 19, 2009). *See also Antidumping Duty Order: Uncovered Innerspring Units From South Africa,* 73 FR 75390 (December 11, 2008). *See also Antidumping Duty Order: Uncovered Innerspring Units From the Socialist Republic of Vietnam,* 73 FR 75391 (December 11, 2008).

[3] *See* Issues and Decision Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice (Issues and Decision Memorandum).

## DEPARTMENT OF COMMERCE

### International Trade Administration

**[A–570–848]**

### Freshwater Crawfish Tail Meat From the People's Republic of China: Final Results of the Third Expedited Sunset Review of the Antidumping Duty Order

**AGENCY:** Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (the Department) finds that revocation of the antidumping duty order on freshwater crawfish tail meat from the People's Republic of China would be likely to lead to continuation or recurrence of dumping as indicated in the ''Final Results of Sunset Review'' section of this notice.

**DATES:** *Effective Date:* March 10, 2014

**FOR FURTHER INFORMATION CONTACT:** Thomas Schauer or Minoo Hatten, 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) 482–0410 or (202) 482–1690, respectively.

**SUPPLEMENTARY INFORMATION:**

**Background**

In accordance with 19 CFR 351.218(d)(1)(i) and (ii), the Department received a notice of intent to participate in this sunset review from the Crawfish Processors Alliance (the domestic interested party), within 15 days after the date of publication of the *Notice of*

*Initiation*.[1] The domestic interested party claimed interested party status under section 771(9)(E) and (F) of the Act as a trade or business association, a majority of whose members manufacture, produce, or wholesale freshwater crawfish tail meat, the domestic like product, in the United States.

The Department received an adequate substantive response to the *Notice of Initiation* from the domestic interested party within the 30-day period specified in 19 CFR 351.218(d)(3)(i). The Department received no substantive response from any respondent interested parties. In accordance with section 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(*2*), the Department has conducted an expedited (120-day) sunset review of the antidumping duty order on freshwater crawfish tail meat from the People's Republic of China.

**Scope of the Order**

The product covered by the antidumping duty order is freshwater crawfish tail meat, in all its forms (whether washed or with fat on, whether purged or un-purged), grades, and sizes; whether frozen, fresh, or chilled; and regardless of how it is packed, preserved, or prepared. Excluded from the scope of the order are live crawfish and other whole crawfish, whether boiled, frozen, fresh, or chilled. Also excluded are saltwater crawfish of any type, and parts thereof. Freshwater crawfish tail meat is currently classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers 1605.40.10.10 and 1605.40.10.90, which are the HTSUS numbers for prepared foodstuffs, indicating peeled crawfish tail meat and other, as introduced by U.S. Customs and Border Protection (CBP) in 2000, and HTSUS numbers 0306.19.00.10 and 0306.29.00.00, which are reserved for fish and crustaceans in general. On February 10, 2012, the Department added HTSUS classification number 0306.29.01.00 to the scope description pursuant to a request by CBP. The HTSUS subheadings are provided for convenience and customs purposes only. The written description of the scope of the order is dispositive.

**Analysis of Comments Received**

All issues raised in this review are addressed in the Issues and Decision Memorandum, including the likelihood of continuation or recurrence of dumping in the event of revocation and the magnitude of dumping margins likely to prevail if the order were revoked.[2] Parties can find a complete discussion of all issues raised in this review and the corresponding recommendations in the Issues and Decision Memorandum, which is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov* and in the Central Records Unit in Room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at *http://enforcement.trade.gov/frn/index.html.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

**Final Results of Sunset Review**

The Department determines that revocation of the antidumping duty order on freshwater crawfish tail meat from the People's Republic of China would be likely to lead to continuation or recurrence of dumping at the following weighted-average percentage margins:

| Manufacturer/producer/exporter | Weighted-average margin (percent) |
|---|---|
| China Everbright Trading Company | 156.77 |
| Binzhou Prefecture Foodstuffs Import Export Corp | 119.39 |
| Huaiyin Foreign Trade Corp | 91.50 |
| Yancheng Foreign Trade Corp | 108.05 |
| All other exporters with a separate rate | 122.92 |
| All other exporters which are part of the PRC-wide entity | 201.63 |

**Notification to Interested Parties**

This notice 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). Timely written notification of the destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

The Department is issuing and publishing the final results and notice in accordance with sections 751(c), 752(c), and 777(i)(1) of the Act and 19 CFR 351.221(c)(5)(ii).

Dated: February 28, 2014.

**Paul Piquado,**

*Assistant Secretary for Enforcement and Compliance.*

[FR Doc. 2014–05143 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–DS–P**

[1] *See Initiation of Five-Year (''Sunset'') Review,* 78 FR 65614 (November 1, 2013) (*Notice of Initiation*).

[2] *See* Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, ''Issues and Decision Memorandum for the Final Results of the Expedited Third Sunset Review of the Antidumping Duty Order on Freshwater Crawfish Tail Meet from the People's Republic of China,'' adopted by and dated concurrently with this notice (Issues and Decision Memorandum).

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

**RIN 0648–XD161**

### Endangered and Threatened Species; Take of Anadromous Fish

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Receipt of one permit application and one permit modification request for scientific research and enhancement.

**SUMMARY:** Notice is hereby given that NMFS has received one scientific research and enhancement permit application and one permit modification request relating to anadromous species listed under the Endangered Species Act (ESA). The proposed research activities are intended to increase knowledge of the species and to help guide management and conservation efforts. The applications and related documents may be viewed online at: *https://apps.nmfs.noaa.gov/preview/preview_open_for_comment.cfm.* These documents are also available upon written request or by appointment by contacting NMFS by phone (916) 930–3706 or fax (916) 930–3629.

**DATES:** Written comments on the permit applications or modification request must be received at the appropriate address or fax number (see **ADDRESSES**) no later than 5 p.m. Pacific standard time on April 9, 2014.

**ADDRESSES:** Written comments on the application or modification request should be submitted to: NMFS West Coast Region, 650 Capitol Mall, Room 5–100, Sacramento, CA 95814. Comments may also be submitted via fax to (916) 930–3629 or by email to *FRNpermits.sac@noaa.gov.*

**FOR FURTHER INFORMATION CONTACT:** Amanda Cranford, Sacramento, CA (phone: (916) 930–3706, email: *Amanda.Cranford@noaa.gov*).

**SUPPLEMENTARY INFORMATION:**

**Species Covered in This Notice**

This notice is relevant to federally threatened California Central Valley steelhead (*Oncorhynchus mykiss*), threatened Central Valley spring-run Chinook salmon (*O. tshawytscha*), endangered Sacramento River winter-run Chinook salmon (*O. tshawytscha*), and the threatened southern distinct population segment of North American (SDPS) green sturgeon (*Acipenser medirostris*).

**Authority**

Scientific research permits are issued in accordance with Section 10(a)(1)(A) of the ESA of 1973 (16 U.S.C. 1531–1543) and regulations governing listed fish and wildlife permits(50 CFR Parts 222–226). NMFS issues permits based on findings that such permits: (1) Are applied for in good faith; (2) if granted and exercised, would not operate to the disadvantage of the listed species which are the subject of the permits; and (3) are consistent with the purposes and policies set forth in section 2 of the ESA. The authority to take listed species is subject to conditions set forth in the permits.

Anyone requesting a hearing on the permit applications listed in this notice should set out the specific reasons why a hearing on the application(s) would be appropriate (see **ADDRESSES**). Such hearings are held at the discretion of the Assistant Administrator for Fisheries, NMFS.

**Applications Received**

*Permit 18251*

The Marine Science Institute (MSI) is requesting a 5-year scientific research and enhancement permit for take of Sacramento River winter-run Chinook salmon smolts, Central Valley spring-run Chinook salmon smolts, California Central Valley steelhead smolts, and juvenile SDPS green sturgeon associated with monitoring and research activities conducted in the Sacramento-San Joaquin Delta (Delta), Central Valley, California.

The purpose of this research is to educate local 6th graders and their parents about the Delta ecosystem and to teach them how to be better stewards of the watershed. Part of this education process involves using an otter trawl to bring up a sample of local fish species in order to study them. The students learn about how their actions can affect the watershed and the life with in it (topics include their personal water use/conservation practices, wastewater versus storm drains, disposal of trash/recycling, contaminates/biomagnification, and household hazardous waste disposal). Students also learn about local native, non-native, threatened, and endangered animals. Overall this increases the general public's knowledge and stewardship role in protecting the Delta and its inhabitants. This in turn increases the survival chances of the species of concern in an area that is politically charged around Delta issues.

The students will go on a 3.5 hour voyage. During the voyage they will rotate through four stations: Hydrology (discussion based), Benthic (mud grab and invertebrate study), Plankton (plankton tow and identification), and Ichthyology (Otter trawl and fish identification). During the Ichthyology station a five minute mid-water trawl using an Otter trawl will be used to collect fish for the students to study. The net will emptied by instructional staff into a tank that is constantly refilled with water from the Delta. Any species of concern is then identified and immediately released back into the Delta. Fish are transferred from the tank back into Delta by buckets filled with water from the Delta to minimize the amount of stress the fish experiences.

**Modification Request Received**

*Permit 17428—Modification 1*

Permit 17428 was issued to the United States Fish and Wildlife Service (USFWS) on January 23, 2013 for take of adult, smolt, and fry California Central Valley steelhead, juvenile Sacramento River winter-run Chinook salmon and juvenile Central Valley spring-run Chinook salmon associated with research activities in the Lower American River, in Sacramento County, California.

The modification is being requested because the original permit application underestimated the number of California Central Valley steelhead and Sacramento River winter-run Chinook salmon that would be caught by the American River rotary screw traps (RSTs). As described in the application, a higher take limit for those taxa is being requested, and those numbers more closely reflect the actual number of ESA-listed salmonids that were caught during the 2013 sampling season and could be caught in future years. Other language in the original permit application, e.g., the data collection procedures and avoidance and minimization measures, are hereby incorporated into the modified application without change

Two to four RSTs will be deployed on the American River downstream of the Watt Avenue Bridge from 2014 through 2017. Each year, RSTs will be operated 5—7 days each week between January 1 and June 30. Trap operations will focus on the collection of the juvenile life stage of ESA-listed California Central Valley steelhead and non-listed fall-run Chinook salmon. If salmon that may be ESA-listed Central Valley spring- or Sacramento River winter-run Chinook salmon are captured, fin clips will be taken so those samples can be used in genetic studies to determine which runs are actually present. Captured fish will be released alive immediately downstream of the RSTs. The proposed monitoring project does not include activities designed to intentionally result in the death of listed taxa. Ten measures designed to reduce adverse effects relating to the monitoring project will be undertaken, e.g., servicing traps each day so none of the captured fish experience a hold time in excess of 24 hours.

Dated: March 4, 2014.

**Angela Somma,**

*Chief, Endangered Species Division, Office of Protected Resources, National Marine Fisheries Service.*

[FR Doc. 2014–05089 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

**RIN 0648–BD33**

### Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Comprehensive Fishery Management Plan for the Exclusive Economic Zone of St. Croix

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Supplemental Notice of intent (NOI) to prepare a draft environmental impact statement (DEIS); scoping meetings; request for comments.

**SUMMARY:** NMFS, Southeast Region, in collaboration with the Caribbean Fishery Management Council (Council), intends to prepare a DEIS to describe and analyze a range of management alternatives for management actions to be considered when developing and establishing a Comprehensive Fishery Management Plan (FMP) for the exclusive economic zone (EEZ) of St.

Croix. The purpose of this Supplemental NOI is to inform the public of upcoming opportunities to provide comments on the actions to be addressed in the DEIS, as specified in this notice.

**DATES:** Written comments on the scope of issues to be addressed in the DEIS must be received by NMFS by April 9, 2014. A second round of scoping meetings will be held in April 2014. For specific dates and times, see **SUPPLEMENTARY INFORMATION**, under the heading, ''Scoping Meetings''.

**ADDRESSES:** You may submit comments on the DEIS, identified by ''NOAA–NMFS–2013–0092'', by any of the following methods:

- *Electronic Submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to *www.regulations.gov/#!docketDetail;D=NOAA-NMFS-2013-0092,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Submit written comments to Miguel Lugo, Southeast Regional Office, NMFS, 263 13th Avenue South, St. Petersburg, FL 33701, or to the Caribbean Fishery Management Council, 270 Muñoz Rivera Avenue, Suite 401, San Juan, Puerto Rico 00918.

*Instructions:* Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may 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, address, etc.), 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). Attachments to electronic comments will be accepted in Microsoft Word, Excel, or Adobe PDF file formats only.

Electronic copies of the scoping document may be obtained from the Southeast Regional Office Web site at *http://sero.nmfs.noaa.gov/sustainable_fisheries/caribbean/island_based/index.html.*

The scoping meetings will be held in Puerto Rico and in the U.S. Virgin Islands. For specific locations, see **SUPPLEMENTARY INFORMATION**, under the heading, ''Scoping Meetings''.

**FOR FURTHER INFORMATION CONTACT:** Miguel Lugo, phone 727–824–5305, email *Miguel.Lugo@noaa.gov;* or Graciela García-Moliner, phone 787–766–5927, email *Graciela.Garcia-Moliner@noaa.gov.*

**SUPPLEMENTARY INFORMATION:** Currently, the Council manages Federal fisheries in the U.S. Caribbean under four species-based FMPs: The Spiny Lobster FMP of Puerto Rico and the U.S. Virgin Islands (Spiny Lobster FMP), the Reef Fish FMP of Puerto Rico and the U.S. Virgin Islands (Reef Fish FMP), the Corals and Reef Associated Plants and Invertebrates FMP of Puerto Rico and the U.S. Virgin Islands (Coral FMP), and the FMP for the Queen Conch Resources of Puerto Rico and the U.S. Virgin Islands (Queen Conch FMP). The fishers, fishing community representatives, and the local governments of Puerto Rico and the U.S. Virgin Islands (USVI) have frequently requested the Council consider the differences between the islands or island groups when addressing fisheries management in the U.S. Caribbean to recognize the unique attributes of each U.S. Caribbean island. By developing island-based FMPs, NMFS and the Council would better account for differences among the U.S. Caribbean islands with respect to culture, markets, gear, seafood preferences, and the ecological impacts that result from these differences.

At its 145th meeting, held on March 26–27, 2013, the Council decided to transition from species-based fisheries management to island-based fisheries management. If approved, a comprehensive FMP for fisheries management off St. Croix, in conjunction with similar comprehensive FMPs for fisheries management off Puerto Rico and off St. Thomas/St. John, would replace the existing species-based FMPs.

Also at its March meeting, the Council voted to hold scoping meetings in July 2013 to receive public feedback on possible actions and alternatives to consider during the development of the St. Croix FMP, the Puerto Rico FMP, and the St. Thomas/St. John FMP. Based on public feedback received at the July scoping meetings, the Council decided at its 148th Meeting, held December 11–12, 2013, to hold a second round of scoping meetings to present a more robust set of actions and alternatives. The Council could develop the comprehensive FMPs without significant changes to current Federal fisheries management. For example, the 2010 Caribbean Annual Catch Limit (ACL) Amendment (76 FR 82404, December 30, 2011) and the 2011 Caribbean ACL Amendment (76 FR 82414, December 30, 2011) established ACLs by island or island group with specific ACLs for the St. Croix EEZ. The spatial and species-based attributes of these St. Croix ACLs, likely, would not change when developing the new FMP.

However, a re-arrangement from species-based FMPs to island-based FMPs also provides an opportunity for the Council to update management regulations that are outdated or do not reflect the current state of issues in the St. Croix EEZ. In the comprehensive St. Croix FMP, the Council is considering management measures to modify the composition of the fishery management units (FMUs) by adding or removing species, establishing management reference points for any new species added into the FMUs, and modifying or establishing additional management measures. If regulations are to be changed, additional analyses to assess the impacts to the social, biological, economic, ecological, and administrative environments will be required.

To implement the proposed provisions of this new FMP, the Council will develop a DEIS for the comprehensive St. Croix FMP that describes and analyzes the proposed management alternatives. The new FMP will provide the best available scientific information regarding the management of St. Croix EEZ fisheries, within the context of Federal fisheries management in the U.S. Caribbean. Those alternatives will include, but are not limited to, a ''no action'' alternative regarding the continuation of species-based Federal fishery management in St. Croix, as well as alternatives to revise the management of U.S. Caribbean fisheries when developing the comprehensive St. Croix FMP. In addition, there will be alternatives to modify the current FMUs including, but not limited to, the ''no action'' alternative. Other actions could be included in the DEIS in response to public feedback during the scoping process.

In accordance with NOAA's Administrative Order NAO 216–6, Section 5.02(c), the Council and NMFS have identified preliminary environmental issues as a means to initiate discussion for scoping purposes only. These preliminary issues may not represent the full range of issues that eventually will be evaluated in the DEIS.

After the DEIS associated with the development of the Comprehensive St. Croix FMP is completed, it will be filed with the Environmental Protection Agency (EPA). After filing, the EPA will publish a notice of availability of the DEIS for public comment in the **Federal Register**. The DEIS will have a 45-day comment period. This procedure is

pursuant to regulations issued by the Council on Environmental Quality (CEQ) for implementing the procedural provisions of the National Environmental Policy Act (NEPA; 40 CFR parts 1500–1508) and to NOAA's Administrative Order 216–6 regarding NOAA's compliance with NEPA and the CEQ regulations.

The Council and NMFS will consider public comments received on the DEIS in developing the final environmental impact statement (FEIS), and before voting to submit the FMP to NMFS for Secretarial review, approval, and implementation.

NMFS will announce in the **Federal Register** the availability of the FMP for public review during the Secretarial review period. During Secretarial review, NMFS will also file the FEIS with the EPA for a final 30-day public comment period. This comment period will be concurrent with the Secretarial review period and will end prior to final agency action to approve, disapprove, or partially approve the FMP.

NMFS will announce in the **Federal Register**, all public comment periods on the FMP, its proposed implementing regulations, and the associated FEIS. NMFS will consider all public comments received during the Secretarial review period, whether they are on the FMP, the proposed regulations, or the FEIS, prior to final agency action.

**Scoping Meetings**

All scoping meetings are scheduled for the weeks of April 7 and 14, 2014 (start times and locations are specified below). Participants at the scoping meetings may comment on any of the island-based FMPs (the Puerto Rico FMP, the St. Croix FMP, and the St. Thomas/St. John FMP) during any of the scoping meetings. The meetings will be physically accessible to people with disabilities. Request for sign language interpretation or other auxiliary aids should be directed to the Council (see **ADDRESSES**).

*Supplemental Island-Based Scoping Meetings in Puerto Rico*

- April 7, 2014, 7 p.m. to 10 p.m.—at the Parador and Restaurant El Buen Café, #381, Rd. #2, Hatillo, Puerto Rico.
- April 8, 2014, 7 p.m. to 10 p.m.—at the Mayaguez Holiday Inn, 2701 Hostos Avenue, Mayaguez, Puerto Rico.
- April 9, 2014, 7 p.m. to 10 p.m.—at the Asociación de Pescadores Unidos de Playa Húcares, Carr. #3, Km. 65.9, Naguabo, Puerto Rico.
- April 10, 2014, 7 p.m. to 10 p.m.—at the DoubleTree by Hilton San Juan, De Diego #105 Avenue, San Juan, Puerto Rico.
- April 14, 2014, 7 p.m. to 10 p.m.—at the Holiday Inn Ponce & Tropical Casino, 3315 Ponce By Pass, Ponce, Puerto Rico.

*Supplemental Island-Based Scoping Meetings in the USVI*

- April 7, 2014, 7 p.m. to 10 p.m.—at the Windward Passage Hotel, Charlotte Amalie, St. Thomas, U.S. Virgin Islands.
- April 8, 2014, 7 p.m. to 10 p.m.—at the Buccaneer Hotel, Estate Shoys, Christiansted, St. Croix, U.S. Virgin Islands.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: March 4, 2014.

**Emily H. Menashes,**

*Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2014–05151 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–22–P**

## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

**RIN 0648–XD164**

### New England Fishery Management Council (NEFMC); Public Meeting

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Notice; public meeting.

**SUMMARY:** The New England Fishery Management Council (Council) is scheduling a public meeting of its Scientific and Statistical Committee (SSC) to consider actions affecting New England fisheries in the exclusive economic zone (EEZ). Recommendations from this group will be brought to the full Council for formal consideration and action, if appropriate.

**DATES:** This meeting will be held on Thursday, March 27, 2014, at 8:30 a.m.

**ADDRESSES:**

*Meeting address:* The meeting will be held at the Omni Hotel, 1 West Exchange Street, Providence, RI 02903; telephone: (401) 598–8000; fax: (401) 598–8200.

*Council address:* New England Fishery Management Council, 50 Water Street, Mill 2, Newburyport, MA 01950.

**FOR FURTHER INFORMATION CONTACT:** Thomas A. Nies, Executive Director, New England Fishery Management Council; telephone: (978) 465–0492.

**SUPPLEMENTARY INFORMATION:** The NEFMC's Scientific and Statistical Committee (SSC) will meet to discuss the role of social scientists on the SSC, how fishermen might be involved in SSC work and the use of multiple models in assessment and catch advice. The SSC also will hear an update on the work of the Council's Risk Policy Working Group and a presentation on the National Academy of Sciences report, *Evaluating the Effectiveness of Fish Stock Rebuilding Plans in the United States.*

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Act, provided the public has been notified of the Council's intent to take final action to address the emergency.

**Special Accommodations**

This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Thomas A. Nies, Executive Director, at (978) 465–0492, at least 5 days prior to the meeting date.

**Authority:** 16 U.S.C. 1801 *et seq.*

Dated: March 5, 2014.

**Tracey L. Thompson,**

*Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.*

[FR Doc. 2014–05064 Filed 3–7–14; 8:45 am]

**BILLING CODE 3510–22–P**

## CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

### Information Collection; Submission for OMB Review, Comment Request

**AGENCY:** Corporation for National and Community Service.

**ACTION:** Notice.

**SUMMARY:** The Corporation for National and Community Service (CNCS) has submitted a public information collection request (ICR) entitled AmeriCorps VISTA Sponsor Recruitment Practices Survey for review and approval in accordance with the Paperwork Reduction Act of 1995, Public Law 104–13, (44 U.S.C. Chapter 35). Copies of this ICR, with applicable supporting documentation, may be obtained by calling the Corporation for National and Community Service,

Elizabeth Matthews, at 202–606–6774 or email to *ematthews@cns.gov*. Individuals who use a telecommunications device for the deaf (TTY–TDD) may call 1–800–833–3722 between 8:00 a.m. and 8:00 p.m. Eastern Time, Monday through Friday.

**ADDRESSES:** Comments may be submitted, identified by the title of the information collection activity, to the Office of Information and Regulatory Affairs, Attn: Ms. Sharon Mar, OMB Desk Officer for the Corporation for National and Community Service, by any of the following two methods within 30 days from the date of publication in the **Federal Register**:

(1) By fax to: (202) 395–6974, Attention: Ms. Sharon Mar, OMB Desk Officer for the Corporation for National and Community Service; or

(2) By email to: *smar@omb.eop.gov*.

**SUPPLEMENTARY INFORMATION:** The OMB is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of CNCS, 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;
- Propose ways to enhance the quality, utility, and clarity of the information to be collected; and
- Propose 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**

A 60-day Notice requesting public comment was published in the **Federal Register** on December 27, 2013. This comment period ended February 25, 2014. No public comments were received from this Notice.

*Description:* CNCS is seeking approval of AmeriCorps VISTA Sponsor Recruitment Practices Survey which is used by AmeriCorps VISTA. Sponsor organizations will provide information about their approach to VISTA member recruitment in order for CNCS to design recruitment strategies and materials for the VISTA program.

*Type of Review:* New.

*Agency:* Corporation for National and Community Service.

*Title:* AmeriCorps VISTA Sponsor Recruitment Practices Survey.

*OMB Number:* TBD.

*Agency Number:* None.

*Affected Public:* AmeriCorps VISTA sponsor organizations. Sponsor organizations direct VISTA projects, supervise AmeriCorps VISTA members, and provide necessary administrative support to complete the goals and objectives of the project.

*Total Respondents:* 1,800.

*Frequency:* Once per respondent.

*Average Time per Response:* Averages 10 minutes.

*Estimated Total Burden Hours:* 18,000 hours.

*Total Burden Cost (capital/startup):* None.

*Total Burden Cost (operating/maintenance):* None.

Dated: February 28, 2014.

**Mary Strasser,**

*Director, AmeriCorps VISTA.*

[FR Doc. 2014–05127 Filed 3–7–14; 8:45 am]

**BILLING CODE 6050–28–P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

**[Docket ID: DoD–2013–OS–0232]**

### Notice of Availability (NOA) for Temporary Storage of Wheeled Tactical Vehicles (WTV) at Defense Supply Center Richmond, Virginia, Environmental Assessment (EA) Finding of No Significant Impact (FONSI)

**AGENCY:** Defense Logistics Agency, Department of Defense.

**ACTION:** Notice of Availability (NOA) for Temporary Storage of Wheeled Tactical Vehicles (WTV) at Defense Supply Center Richmond, Virginia, Environmental Assessment (EA) Finding of No Significant Impact (FONSI).

**SUMMARY:** On December 27, 2013, Defense Logistics Agency (DLA) published a NOA in the **Federal Register** (78 FR 78943) announcing the publication of the Temporary Storage of WTVs at Defense Supply Center Richmond, Virginia, EA. The EA was available for a 30-day public comment period which ended January 26, 2014. The EA was prepared as required under the National Environmental Policy Act (NEPA), (1969). In addition, the EA complied with DLA Regulation (DLAR) 1000.22. DLA received a comment from the Virginia Department of Environmental Quality (DEQ). The agency has reviewed the comment and is in accord with many of the DEQ recommendations and will continue to work with DEQ in successfully managing the temporary storage of the WTVs. This FONSI documents the decision of DLA to temporarily store wheeled tactical vehicles at Defense Supply Center Richmond, Virginia. DLA has determined that the proposed action was not a major federal action significantly affecting the quality of the human environment within the context of NEPA and that no significant impacts on the human environment are associated with this decision.

**FOR FURTHER INFORMATION CONTACT:** Ann Engelberger at (703) 767–0705 during normal business hours Monday through Friday, from 8:00 a.m. to 4:30 p.m. (EST) or by email: *Ann.Engelberger@dla.mil*.

**SUPPLEMENTARY INFORMATION:** The Defense Logistics Agency (DLA) completed an environmental assessment (EA) to address the potential environmental consequences associated with the temporary storage of wheeled tactical vehicles (WTVs) at Defense Supply Center Richmond (DSCR), Virginia. The FONSI incorporates the EA by reference and summarizes the results of the analysis in the EA.

*Purpose and Need for Action:* The Proposed Action is needed to provide a common location for the temporary storage of fully functional WTVs that are no longer required by the United States military. These WTVs would be staged for sale or for off-site demilitarization. DLA does not currently have a storage site for these surplus wheeled tactical vehicles and needs a storage site that can be ready to accept these vehicles in early 2014. Defense Supply Center Richmond (DSCR), Virginia, has space available for the temporary storage of the vehicles and the space does not require time and material intensive modifications.

*Proposed Action and Alternatives:* Under the Proposed Action, DLA would store WTVs temporarily at DSCR for up to three years beginning in early 2014. Approximately 600 to 2,500 WTVs would be stored at the installation at any one time. Assuming 100 percent turnover every 1.5 years, a total of 1,200 to 5,000 WTVs would be cycled through the installation over a three-year period. The WTVs would be shipped to the installation from multiple continental United States military installations via flat-bed or low-boy tractor-trailers. Delivery of the WTVs would be spread out to reduce the impact on traffic and would occur during regular work week hours. The tractor-trailers would arrive and depart through the installation's North Gate and access the proposed WTV storage sites via Road ''A.''

Two sites at the installation would be used to store the WTVs. The Primary Vehicle Storage Site is a 5.3-acre gravel lot located south of Buildings 3 and 4. If the Primary Vehicle Storage Site reaches capacity, additional WTVs could be stored at the Secondary Vehicle Storage Site which is a 21-acre gravel lot located west of Building 54. A maximum of 2,500 vehicles would be stored on the installation at any one time. A chain-link fence would be installed around each proposed WTV storage site and signposts mounted on cinderblocks (or similar) would be placed inside the proposed WTV storage sites to designate storage locations.

The WTVs would be stored in a running state suitable for sale and, as such, would contain batteries and all fluids. Absorbent pads would be placed beneath the WTVs and DLA Disposition Services staff would perform weekly inspections of the WTVs and absorbent pads. Only emergency maintenance necessary to stop leaks or repair inoperable vehicles would be conducted.

The WTVs would be shipped by tractor-trailer from the installation (via Road ''A'' and the North Gate) as they are sold or sent off-site for demilitarization. WTV parking spaces freed up by departing WTVs would be available for incoming vehicles.

*Description of the No Action Alternative:* Under the No Action Alternative, DLA would not receive, store and ship WTVs at DSCR. In general, implementation of the No Action Alternative would mean that DLA would not have a common location for these WTVs awaiting sale or demilitarization. The WTVs would stay in their current locations at various military installations which would lead to inefficiencies and difficulties in selling the vehicles. As such, they would not be able to be screened, reconciled or inspected in a timely manner. The No Action Alternative would not meet the purpose of and need for the Proposed Action.

*Potential Environmental Impacts:* No significant effects on environmental resources would be expected from the Proposed Action. Insignificant, adverse effects on noise, air quality, geological resources, water resources, transportation and hazardous materials and waste would be expected. The adverse effects would be short-term, lasting only for the duration of the Proposed Action. Details of the environmental consequences were discussed in the EA which is hereby incorporated by reference.

*Determination:* DLA has determined that implementation of the Proposed Action will not have a significant effect on the human environment. Human environment was interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment. Specifically, no highly uncertain or controversial impacts, unique or unknown risk or cumulatively significant effects were identified. Implementation of the Proposed Action will not violate any federal, state or local laws. Based on the results of the analyses performed during the preparation of the environmental assessment, David Rodriguez, Director, DLA Installation Support, concludes that temporary storage of wheeled tactical vehicles at Defense Supply Center Richmond, Virginia, does not constitute a major federal action significantly affecting the quality of the human environment within the context of NEPA. Therefore, an environmental impact statement for the proposed action is not required.

Dated: March 5, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

[FR Doc. 2014–05081 Filed 3–7–14; 8:45 am]

**BILLING CODE 5001–06–P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

### Defense Health Board; Notice of Federal Advisory Committee Meeting; Cancellation

**AGENCY:** Department of Defense (DoD).

**ACTION:** Notice of Federal Advisory Committee meeting; cancellation.

**SUMMARY:** On Thursday, February 13, 2014 (79 FR 8683–8684), the Department of Defense published a notice announcing a meeting of the Defense Health Board (DHB), which was scheduled to take place as a webcast on Monday, March 3, 2014. This notice announces the cancellation of the March 3, 2014 meeting. Due to the inclement weather and the government's decision to close Federal offices in the Washington, DC area, the scheduled DHB meeting on March 3, 2014 is cancelled. Due to the closure of Federal offices in the Washington DC area, this notice of meeting cancellation could not be published before the date of the meeting that is now cancelled.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine Bader, *Christine.bader@dha.mil,* (703) 681–6653 or Ms. Kendal Brown, *Kendal.Brown.ctr@dha.mil,* (703) 681–6670.

**SUPPLEMENTARY INFORMATION:**

*Meeting Announcement:* Due to inclement weather and the government's decision to close Federal offices in the Washington, DC area, the Defense Health Board's designated federal officer was unable to provide public cancellation notification in sufficient time for the previously scheduled Defense Health Board meeting for March 3, 2014, as required by 41 CFR 102–3.150(a). Accordingly, the Advisory Committee Management Officer for the Department of Defense, pursuant to 41 CFR 102–3.150(b), waives the 15-calendar day cancellation notification requirement.

Dated: March 5, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

[FR Doc. 2014–05067 Filed 3–7–14; 8:45 am]

**BILLING CODE 5001–06–P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

### Independent Review Panel on Military Medical Construction Standards; Notice of Federal Advisory Committee Meeting; Cancellation

**AGENCY:** Department of Defense (DoD).

**ACTION:** Notice of meeting; cancellation.

**SUMMARY:** On Monday, February 24, 2014 (79 FR 10128–10129), the Department of Defense published a notice announcing a meeting of the Independent Review Panel on Military Medical Construction Standards (''the Panel''), which was scheduled for Monday–Tuesday, March 3–4, 2014. This notice announces the cancellation of the March 3, 2014 meeting. Due to the inclement weather and the government's decision to close Federal offices in the Washington DC area, the scheduled Panel meeting on March 3, 2014 is cancelled. Due to the closure of Federal offices in the Washington DC area, this notice of meeting cancellation could not be published before the date of the meeting that is now cancelled.

**FOR FURTHER INFORMATION CONTACT:** Ms. Christine Bader, *christine.bader@dha.mil,* (703) 681–6653 or Ms. Kendal Brown, *kendal.brown.ctr@dha.mil,* (703) 681–6670.

**SUPPLEMENTARY INFORMATION:**

*Meeting Announcement:* Due to inclement weather and the government's decision to close Federal offices in the Washington DC area, the Independent Review Panel on Military Medical Construction Standards' designated federal officer was unable to

provide public cancellation notification in sufficient time for the previously scheduled Independent Review Panel on Military Medical Construction Standards meeting for March 3, 2014, as required by 41 CFR § 102–3.150(a). Accordingly, the Advisory Committee Management Officer for the Department of Defense, pursuant to 41 CFR 102–3.150(b), waives the 15-calendar day cancellation notification requirement.

Dated: March 5, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

[FR Doc. 2014–05068 Filed 3–7–14; 8:45 am]

**BILLING CODE 5001–06–P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

**[Docket ID: DoD–2014–OS–0028]**

### Privacy Act of 1974; System of Records

**AGENCY:** United States Central Command, DoD.

**ACTION:** Notice to amend a System of Records.

**SUMMARY:** The United States Central Command is proposing to amend a system of records notice in its existing inventory of records systems subject to the Privacy Act of 1974, as amended. The system is entitled FCENTCOM 01, Combined Mild Traumatic Brain Injury Registry and is being amended to reflect the new records retention and disposal.

**DATES:** Comments will be accepted on or before April 9, 2014. This proposed action will be effective on the day following the end of the comment period unless comments are received which result in a contrary determination.

**ADDRESSES:** You may submit comments, identified by docket number and title, by any of the following methods:

* Federal Rulemaking Portal: *http://www.regulations.gov.* Follow the instructions for submitting comments.

* Mail: Federal Docket Management System Office, 4800 Mark Center Drive, East Tower, 2nd Floor, Suite 02G09, Alexandria, VA 22350–3100.

*Instructions:* All submissions received must include the agency name and docket number for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

**FOR FURTHER INFORMATION CONTACT:** Ms. Jacqueline Scott, USCENTCOM CCJ6–RDF, 7115 South Boundary Blvd., MacDill AFB, FL 33621–5101 or at (813) 529–6670.

**SUPPLEMENTARY INFORMATION:** The United States Central Command systems of records notices subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT** or *http://dpclo.defense.gov/.* The specific changes to the records system being amended are set forth in this notice. The proposed amendment is not within the purview of subsection (r) of the Privacy Act of 1974 (5 U.S.C. 552a), as amended, which requires the submission of a new or altered system report.

Dated: March 4, 2014.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

**FCENTCOM 01**

**SYSTEM NAME:**

Combined Mild Traumatic Brain Injury Registry (January 26, 2012, 77 FR 4025)

* * * * *

**RETENTION AND DISPOSAL:**

Delete entry and replace with ''PERMANENT. Transfer paper records to the National Archives 25 years after declassification review. Transfer physical custody of electronic records to the National Archives for pre-accessioning 5 years after cutoff. Transfer legal custody of electronic records to the National Archives 25 years after cutoff and declassification review.''

* * * * *

[FR Doc. 2014–05019 Filed 3–7–14; 8:45 am]

**BILLING CODE 5001–06–P**

## DEPARTMENT OF EDUCATION

**[Docket No.: ED–2014–ICCD–0031]**

### Agency Information Collection Activities; Comment Request; Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery

**AGENCY:** Department of Education.

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 3501 *et seq.*), ED is proposing an extension of an existing information collection. Department of Education as part of its continuing effort to reduce paperwork and respondent burden, invites the general public to take this opportunity to comment on the ''Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery '' for approval under the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 et. seq.). This collection was developed as part of a Federal Government-wide effort to streamline the process for seeking feedback from the public on service delivery. This notice announces our intent to submit this collection to OMB for approval and solicits comments on specific aspects for the proposed information collection.

A copy of the supporting statement is available at *www.regulations.gov* (see Docket ID ED–2014–ICCD–0031).

**DATES:** Consideration will be given to all comments received by May 9, 2014.

**ADDRESSES:** Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at *http://www.regulations.gov* by selecting Docket ID number ED–2014–ICCD–0031 or via postal mail, commercial delivery, or hand delivery. If the regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at *ICDocketMgr@ed.gov. Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted; ED will ONLY accept comments during the comment period in this mailbox when the regulations.gov site is not available.* Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 400 Maryland Avenue SW., LBJ, Mailstop L–OM–2–2E319, Room 2E105, Washington, DC 20202.

**FOR FURTHER INFORMATION CONTACT:** For specific questions related to collection activities, please contact Stephanie Valentine, 202–401–0526.

**SUPPLEMENTARY INFORMATION:**

*Title:* Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery.

*OMB Control Number:* 1880–0542.

*Type of Review:* An extension of an existing information collection.

*Respondents/Affected Public:* Individuals or households.

*Total Estimated Number of Annual Responses:* 450,000.

*Total Estimated Number of Annual Burden Hours:* 225,000.

Projected average estimates for the next three years:

*Average Expected Annual Number of Activities:* 30.

*Average Number of Respondents per Activity:* 100.

*Annual Responses:* 450,000.

*Frequency of Response:* Once per request.

*Average Minutes per Response:* 30.

*Burden Hours:* 225,000.

*Abstract:* The proposed information collection activity provides a means to garner qualitative customer and stakeholder feedback in an efficient, timely manner, in accordance with the Administration's commitment to improving service delivery. By qualitative feedback we mean information that provides useful insights on perceptions and opinions, but are not statistical surveys that yield quantitative results that can be generalized to the population of study. This feedback will provide insights into customer or stakeholder perceptions, experiences and expectations, provide an early warning of issues with service, or focus attention on areas where communication, training or changes in operations might improve delivery of products or services. These collections will allow for ongoing, collaborative and actionable communications between the Agency and its customers and stakeholders. It will also allow feedback to contribute directly to the improvement of program management.

The solicitation of feedback will target areas such as: timeliness, appropriateness, accuracy of information, courtesy, efficiency of service delivery, and resolution of issues with service delivery. Responses will be assessed to plan and inform efforts to improve or maintain the quality of service offered to the public. If this information is not collected, vital feedback from customers and stakeholders on the Agency's services will be unavailable.

The Agency will only submit a collection for approval under this generic clearance if it meets the following conditions:

- The collections are voluntary;
- The collections are low-burden for respondents (based on considerations of total burden hours, total number of respondents, or burden-hours per respondent) and are low-cost for both the respondents and the Federal Government;
- The collections are non-controversial and do not raise issues of concern to other Federal agencies;
- Any collection is targeted to the solicitation of opinions from respondents who have experience with the program or may have experience with the program in the near future;
- Personally identifiable information (PII) is collected only to the extent necessary and is not retained;
- Information gathered will be used only internally for general service improvement and program management purposes and is not intended for release outside of the agency;
- Information gathered will not be used for the purpose of substantially informing influential policy decisions; and
- Information gathered will yield qualitative information; the collections will not be designed or expected to yield statistically reliable results or used as though the results are generalizable to the population of study.

Feedback collected under this generic clearance provides useful information, but it does not yield data that can be generalized to the overall population. This type of generic clearance for qualitative information will not be used for quantitative information collections that are designed to yield reliably actionable results, such as monitoring trends over time or documenting program performance. Such data uses require more rigorous designs that address: The target population to which generalizations will be made, the sampling frame, the sample design (including stratification and clustering), the precision requirements or power calculations that justify the proposed sample size, the expected response rate, methods for assessing potential non-response bias, the protocols for data collection, and any testing procedures that were or will be undertaken prior to fielding the study. Depending on the degree of influence the results are likely to have, such collections may still be eligible for submission for other generic mechanisms that are designed to yield quantitative results.

As a general matter, information collections will not result in any new system of records containing privacy information and will not ask questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

Dated: March 4, 2014.

**Stephanie Valentine,**

*Acting Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management.*

[FR Doc. 2014–05035 Filed 3–7–14; 8:45 am]

**BILLING CODE 4000–01–P**

## DEPARTMENT OF EDUCATION

**[Docket No.: ED–2014–ICCD–0030]**

### Agency Information Collection Activities; Comment Request; U.S. Department of Education Grant Performance Report Form (ED 524B)

**AGENCY:** Office of the Secretary/Office of the Deputy Secretary (OS), Department of Education (ED).

**ACTION:** Notice.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 3501 *et seq.*), ED is proposing an extension of an existing information collection.

**DATES:** Interested persons are invited to submit comments on or before May 9, 2014.

**ADDRESSES:** Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at *http://www.regulations.gov* by selecting Docket ID number ED–2014–ICCD–0030 or via postal mail, commercial delivery, or hand delivery. If the regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at *ICDocketMgr@ed.gov.* Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted; ED will only accept comments during the comment period in this mailbox when the regulations.gov site is not available. Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 400 Maryland Avenue SW., LBJ, Mailstop L–OM–2–2E319, Room 2E105, Washington, DC 20202.

**FOR FURTHER INFORMATION CONTACT:** For specific questions related to collection activities, please contact Joyce Green-Millner, 202–245–8036.

**SUPPLEMENTARY INFORMATION:** The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed

information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

*Title of Collection:* U.S. Department of Education Grant Performance Report Form (ED 524B).

*OMB Control Number:* 1894–0003.

*Type of Review:* An extension of an existing information collection.

*Respondents/Affected Public:* State, Local, or Tribal Governments.

*Total Estimated Number of Annual Responses:* 5,300.

*Total Estimated Number of Annual Burden Hours:* 118,400.

*Abstract:* The ED 524B form and instructions are used in order for grantees to meet Department of Education (ED) deadline dates for submission of performance reports for ED discretionary grant programs. Recipients of multi-year discretionary grants must submit an annual performance report for each year funding has been approved in order to receive a continuation award. The annual performance report should demonstrate whether substantial progress has been made toward meeting the approved goals and objectives of the project. ED program offices may also require recipients of ''forward funded'' grants that are awarded funds for their entire multi-year project up-front in a single grant award to submit the ED 524B on an annual basis. In addition, ED program offices may also require recipients to use the ED 524B to submit their final performance reports to demonstrate project success, impact and outcomes. In both the annual and final performance reports, grantees are required to provide data on established performance measures for the grant program (e.g., Government Performance and Results Act measures) and on project performance measures that were included in the grantee's approved grant application. The ED 524B also contains a number of questions related to project financial data such as Federal and non-Federal expenditures and indirect cost information. Performance reporting requirements are found in 34 CFR 74.51, 75.118, 75.253, 75.590 and 80.40 of the Education Department General Administrative Regulations.

Dated: March 4, 2014.

**Stephanie Valentine,**

*Acting Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management.*

[FR Doc. 2014–05034 Filed 3–7–14; 8:45 am]

**BILLING CODE 4000–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. IC14–3–000]**

### Commission Information Collection Activities (FERC–549D); Comment Request

**AGENCY:** Federal Energy Regulatory Commission, Energy.

**ACTION:** Comment request.

**SUMMARY:** In compliance with the requirements of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(a)(1)(D), the Federal Energy Regulatory Commission (Commission or FERC) is submitting the information collection FERC–549D (Quarterly Transportation and Storage Report for Intrastate Natural Gas and Hinshaw Pipelines) to the Office of Management and Budget (OMB) for review of the information collection requirements. Any interested person may file comments directly with OMB and should address a copy of those comments to the Commission as explained below. The Commission published notices in the **Federal Register** (78 FR 69843, 11/21/2012, and 79 FR 7175, 2/6/2012) requesting public comments. FERC received no comments on the FERC–549D for either notice and is making this notation in its submittal to OMB.

The Commission is issuing this 15-day public notice due to a change of the estimated burden figures. Upon further review, the Commission found that the burden estimate required adjustment due to better estimates. Specifically, the average burden hours per response for XML filings (implementation burden only) increased from 104 hours to 196 hours. **Note:** There are no changes to information collection or filing requirements.

**DATES:** Comments on the collections of information are due by March 25, 2014.

**ADDRESSES:** Comments filed with OMB, identified by the OMB Control Nos. 1902–0253 (FERC–549D) should be sent via email to the Office of Information and Regulatory Affairs: *oira_submission@omb.gov,* Attention: Federal Energy Regulatory Commission Desk Officer. The Desk Officer may also be reached via telephone at 202–395–4718.

A copy of the comments should also be sent to the Federal Energy Regulatory Commission, identified by the Docket No. IC14–3–000, by one of the following methods:

- eFiling at Commission's Web site: *http://www.ferc.gov/docs-filing/efiling.asp.*
- Mail/Hand Delivery/Courier: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE., Washington, DC 20426.

*Instructions:* All submissions must be formatted and filed in accordance with submission guidelines at: *http://www.ferc.gov/help/submission-guide.asp*. For user assistance contact FERC Online Support by email at *ferconlinesupport@ferc.gov,* or by phone at: (866) 208–3676 (toll-free), or (202) 502–8659 for TTY.

*Docket:* Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at *http://www.ferc.gov/docs-filing/docs-filing.asp*.

**FOR FURTHER INFORMATION CONTACT:** Ellen Brown may be reached by email at *DataClearance@FERC.gov,* by telephone at (202) 502–8663, and by fax at (202) 273–0873.

**SUPPLEMENTARY INFORMATION:**

*Titles:* Quarterly Transportation and Storage Report for Intrastate Natural Gas and Hinshaw Pipelines.

*OMB Control Nos.:* 1902–0253.

*Type of Request:* Three-year extension of the FERC–549D information collection requirements with no changes to the reporting requirements.

*Abstract:* The reporting requirements under FERC–549D are required to carry out the Commission's policies in accordance with the general authority in Sections 1(c) of the Natural Gas Act (NGA) [1] and Sections 311 of the Natural Gas Policy Act of 1978 (NGPA) [2]. This collection promotes transparency by collecting and making available intrastate and Hinshaw pipeline transactional information. The Commission collects the data upon a standardized form with all requirements outlined in 18 CFR 284.126.

The FERC Form 549D collects the following information:

[1] 15 U.S.C. 717–817–w.

[2] 15 U.S.C. 3301–3432.

- Full legal name and identification number of the shipper receiving service;
- Type of service performed for each transaction;
- The rate charged under each transaction;
- The primary receipt and delivery points for the transaction, specifying the rate schedule/name of service and docket were approved;
- The quantity of natural gas the shipper is entitled to transport, store, and deliver for each transaction;
- The term of the transaction, specifying the beginning and ending month and year of current agreement;
- Total volumes transported, stored, injected or withdrawn for the shipper; and
- Annual revenues received for each shipper, excluding revenues from storage services.

Filers submit the Form-549D on a quarterly basis.

*Access to the FERC–549D Information Collection Materials:* A copy of the current form and related materials can be found at *http://www.ferc.gov/docs-filing/forms.asp#549d,* but will not be included in the **Federal Register**. The Commission will not publish these materials in the **Federal Register**.

*Types of Respondents:* Intrastate natural gas and Hinshaw pipelines.

*Estimate of Annual Burden*[3]*:* The Commission estimates the total Public Reporting Burden for each information collection as:

FERC FORM 549D: QUARTERLY TRANSPORTATION AND STORAGE REPORT FOR INTRASTATE NATURAL GAS AND HINSHAW PIPELINES

| Format of pipelines' filing | Number of respondents (A) | Number of responses per respondent (B) | Total number of responses (A)×(B)=(C) | Average burden hours per response (D) | Estimated total annual burden (C)×(D) |
|---|---|---|---|---|---|
| **Implementation Burden** | | | | | |
| PDF filings | 3 | 1 | 3 | 68 | 204 |
| XML[4] filings | 2 | 1 | 2 | 196 | 392 |
| **Ongoing Burden** | | | | | |
| PDF filings | 76 | 4 | 304 | 12.5 | 3,800 |
| XML filings | 33 | 4 | 132 | 10 | 1,320 |
| TOTAL | [5] 109 | | 441 | | 5,716 |

The total estimated annual cost burden to respondents is $450,764 [5,716 hours $78.86/hour[6] = $450,764].

*Comments:* Comments are invited on: (1) Whether the collections of information are necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden and cost of the collections of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collections; and (4) ways to minimize the burden of the collections of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Dated: February 28, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05122 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

[3] The Commission defines burden as the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. For further explanation of what is included in the information collection burden, reference 5 Code of Federal Regulations 1320.3.

[4] Extensible Markup Language (XML)

[5] This figure does not include the five respondents for the ''Implementation Burden''.

[6] This cost represents the average cost of four career fields: Legal ($128.02/hour), Accountants ($48.58/hour), Management Analyst ($56.27/hour), and Computer and Information ($82.67/hour); this cost also includes benefit costs within the hourly estimates.

## DEPARTMENT OF ENERGY

## Federal Energy Regulatory Commission

**[Docket No. CP14–86–000]**

## Vermont Gas Systems, Inc.; Notice of Application

Take notice that on February 19, 2014, Vermont Gas Systems Inc. (VGS) filed with the Federal Energy Regulatory Commission an application under section 7(f) of the Natural Gas Act (NGA) requesting a service area determination within which it may enlarge or expand its natural gas distribution facilities without further Commission authorization. VGS also requests: (i) A finding that VGS qualifies as a local distribution company (LDC) for purposes of Section 311 of the Natural Gas Policy Act of 1978 (NGPA); (ii) a waiver of the Commission's accounting and reporting requirements and other regulatory requirements ordinarily applicable to natural gas companies under the NGA and NGPA; (iii) any other relief as deemed appropriate; and (iv) expedited treatment of its Application.

VGS is expanding its distribution facilities in Vermont and has been asked to provide natural gas service to International Paper at its Ticonderoga Mill in Ticonderoga County, New York. The total length of pipeline proposed to be constructed in New York is 1,600 feet of low pressure distribution line from the New York/Vermont state line to the Ticonderoga Mill. VGS's application is on file with the Commission and open to public inspection. This filing is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site web at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC at *FERCOnlineSupport@ferc.gov* or call toll-free, (886) 208–3676 or TYY, (202) 502–8659.

Any questions regarding the application should be directed to Eileen Simollardes, Vice President, Regulatory Affairs, Vermont Gas Systems Inc., 85

Swift Street, South Burlington, VT 05403, by phone at (802) 951–0355 or by email at *esimollardes@vermontgas.com* or to Elizabeth W. Whittle, Nixon Peabody, LLP, 401 Ninth Street NW., Suite 900, Washington, DC 20004, by phone at (202) 585–8338 or by email at *eshittle@nixonpeabody.com.*

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit seven copies of filings made in the proceeding with the Commission and must mail a copy to the applicant and to every other party. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov.* Persons unable to file electronically should submit an original and seven copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

*Comment Date:* 5:00 p.m. Eastern Time on March 12, 2014.

Dated: February 28, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05120 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP14–83–000]**

### El Paso Natural Gas Company, LLC; Notice of Application

Take notice that on February 13, 2014, El Paso Natural Gas Company, LLC (EPNG), Post Office Box 1087, Colorado Springs, Colorado 80944, filed an application pursuant to section 7(b) of the Natural Gas Act and section 157.18 of the Commission's regulations to abandon by sale two 16-inch diameter of 42 mile pipeline segments; EPNG's Line Nos. 1000 and 1001 located in El Paso County and Hudspeth County, Texas. EPNG constructed the 16-inch diameter Line No. 1001 as a loop of Line No. 1000. EPNG intends to sell the two lines to DKM Enterprises, L.L.C. (DKM), a pipe and steel salvage company not affiliated with EPNG. DKM will purchase these segments of Line Nos. 1000 and 1001 and thereafter remove the 42 mile pipeline segments, all as more fully set forth in the application which is on file with the Commission and open to public inspection. The filing may also be viewed on the web at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC at *FERCOnlineSupport@ferc.gov* or call toll-free, (866) 208–3676 or TTY, (202) 502–8659.

Any questions regarding this application should be directed to Francisco Tarin, Director, Regulatory Affairs, El Paso Natural Gas Company, LLC, PO Box 1087 Colorado Springs, Colorado 80944, or call (719) 667–7517, or fax (719) 667–7534 or to David R. Cain, Assistant General Counsel, El Paso Natural Gas Company, LLC, PO Box 1087 Colorado Springs, Colorado 80944, or call (719) 520–4534, or by fax (719) 520–4415.

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426,

a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 7 copies of filings made in the proceeding with the Commission and must mail a copy to the applicant and to every other party. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov*. Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy regulatory Commission, 888 First Street NE., Washington, DC 20426.

*Comment Date:* 5:00 p.m. Eastern Time on March 6, 2014.

Dated: February 27, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05116 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Combined Notice of Filings #1

Take notice that the Commission received the following electric rate filings:

*Docket Numbers:* ER10–1847–003; ER10–1856–003; ER10–1890–003; ER11–2160–003; ER10–1906–003; ER11–3635–004; ER10–1962–003; ER11–4677–004; ER12–2444–003; ER12–676–004; ER11–2192–005; ER10–1989–003; ER11–4678–004; ER10–1992–003; ER12–631–004; ER10–1971–011.

*Applicants:* Diablo Winds, LLC.

*Description:* Supplement to July 1, 2013 Triennial Market Power Update for the Southwest Region of NextEra Companies.

*Filed Date:* 1/10/14.

*Accession Number:* 20140110–5177.

*Comments Due:* 5 p.m. ET 3/10/14.

*Docket Numbers:* ER10–2609–006; ER10–2604–004; ER10–2603–004; ER10–2602–007; ER10–2606–006.

*Applicants:* Escanaba Paper Company.

*Description:* Supplement to January 2, 2014 Notice of Change in Status of the NewPage MBR Companies.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5138.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER10–3077–003; ER10–3075–003; ER10–3076–003; ER10–3074–003; ER10–3071–003; ER10–3257–002.

*Applicants:* CalPeak Power LLC, CalPeak Power—Border LLC, CalPeak Power—Enterprise LLC, CalPeak Power—Vaca Dixon LLC, CalPeak Power—Panoche LLC, Starwood Power-Midway, LLC.

*Description:* Amendment to July 1, 2013 Updated Market Power Analysis for the Southwest Region of the CalPeak Entities, et. al.

*Filed Date:* 2/27/14.

*Accession Number:* 20140227–5233.

*Comments Due:* 5 p.m. ET 3/20/14.

*Docket Numbers:* ER11–4267–007; ER11–4270–007; ER11–4269–008; ER11–4268–007; ER11–113–008; ER10–2682–007; ER12–1680–005; ER11–4694–004.

*Applicants:* Algonquin Energy Services Inc., Algonquin Power Windsor Locks, LLC, Algonquin Tinker Gen Co., Algonquin Northern Maine Gen Co., Sandy Ridge Wind, LLC, Granite State Electric Company, Minonk Wind, LLC,GSG 6, LLC.

*Description:* Supplement to December 31, 2013 Triennial Market Power Update for the Northeast Region of the APUC Entities.

*Filed Date:* 2/21/14.

*Accession Number:* 20140221–5041.

*Comments Due:* 5 p.m. ET 3/14/14.

*Docket Numbers:* ER12–1436–006; ER14–152–001; ER14–153–001; ER14–154–001; ER13–1793–003; ER10–3300–006; ER13–2386–001; ER10–3099–007; ER12–1260–005; ER10–2329–003.

*Applicants:* Eagle Point Power Generation LLC, Elgin Energy Center, LLC, Gibson City Energy Center, LLC, Grand Tower Energy Center, LLC, Hazle Spindle, LLC, La Paloma Generating Company, LLC, Lakeswind Power Partners, LLC,RC Cape May Holdings, LLC, Stephentown Spindle, LLC, Vineland Energy LLC.

*Description:* Notice of Change in Status of the Rockland Sellers.

*Filed Date:* 2/27/14.

*Accession Number:* 20140227–5234.

*Comments Due:* 5 p.m. ET 3/20/14.

*Docket Numbers:* ER14–1099–001.

*Applicants:* Westar Energy, Inc.

*Description:* Amendment BPU McPherson Electric Interconnection Agreement to be effective 3/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5000.

*Comments Due:* 5 p.m. ET 3/10/14.

*Docket Numbers:* ER14–1161–000; ER14–1219–000.

*Applicants:* Milford Power, LLC.

*Description:* Supplement to January 27, 2014 Milford Power Limited Partnership and January 30, 2014 Armstrong Power, LLC tariff filing(s).

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5084.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1381–000.

*Applicants:* WSPP Inc.

*Description:* Integration into FERC Accepted Cost-Based Rate Schedules (PacifiCorp) to be effective 12/25/2013.

*Filed Date:* 2/27/14.

*Accession Number:* 20140227–5223.

*Comments Due:* 5 p.m. ET 3/20/14.

*Docket Numbers:* ER14–1382–000.

*Applicants:* Southern California Edison Company.

*Description:* SGIA & Distribution Service Agreement with Windpower Partners 1993, L.P. to be effective 6/1/2013.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5004.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1383–000.

*Applicants:* Transource Missouri, LLC.

*Description:* Application of Transource Missouri, LLC under Section 205 of the Federal Power Act regarding regulatory asset costs.

*Filed Date:* 2/27/14.

*Accession Number:* 20140227–5230.

*Comments Due:* 5 p.m. ET 3/20/14.

*Docket Numbers:* ER14–1384–000.

*Applicants:* Southwestern Electric Power Company.

*Description:* SWEPCO–NTEC Walnut Springs DPA to be effective 2/3/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5065.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1385–000.

*Applicants:* Southern California Edison Company.

*Description:* SCE Change in Status to be effective 11/27/2013.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5148.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1386–000.

*Applicants:* California Independent System Operator Corporation.

*Description:* EIM to be effective 7/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5171.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1387–000.

*Applicants:* New England Power Company.

*Description:* Notice of Cancellation of Interconnection Agreement with Ware Cogen to be effective 4/30/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5198.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1388–000.

*Applicants:* El Paso Electric Company.

*Description:* OATT Revisions to Reflect Palo Verde Index Pricing for Sch 4 and 9 Imbalances to be effective 5/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5219.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1389–000.

*Applicants:* Condon Wind Power, LLC.

*Description:* Condon Wind Power LLC Change in Status Filing to be effective 4/29/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5235.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1390–000.

*Applicants:* Lake Benton Power Partners LLC.

*Description:* Lake Benton MBR Tariff Filing to be effective 4/29/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5237.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1391–000.

*Applicants:* Midcontinent Independent System Operator, Inc.

*Description:* 2014–02–28_SA 6505 Termination of Coleman SSR Agreement to be effective 5/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5242.

*Comments Due:* 5 p.m. ET 3/21/14.

*Docket Numbers:* ER14–1392–000.

*Applicants:* Midcontinent Independent System Operator, Inc.

*Description:* 2014–02–28_Cancellation of Schedule 43F Coleman SSR to be effective 5/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5244.

*Comments Due:* 5 p.m. ET 3/21/14.

Take notice that the Commission received the following public utility holding company filings:

*Docket Numbers:* PH14–6–000.

*Applicants:* New Jersey Resources Corporation.

*Description:* Notice of Material Change in Facts and FERC–65A Exemption Notification of New Jersey Resources Corporation.

*Filed Date:* 2/27/14.

*Accession Number:* 20140227–5149.

*Comments Due:* 5 p.m. ET 3/20/14.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf.* For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: February 28, 2014.

**Nathaniel J. Davis, Sr.,**

*Deputy Secretary.*

[FR Doc. 2014–05092 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

## Federal Energy Regulatory Commission

### Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

**Filings Instituting Proceedings**

*Docket Numbers:* RP14–551–000.

*Applicants:* Columbia Gas Transmission, LLC.

*Description:* RAM 2014 to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5043.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–552–000.

*Applicants:* Columbia Gas Transmission, LLC.

*Description:* EPCA 2014 to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5045.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–553–000.

*Applicants:* Columbia Gas Transmission, LLC.

*Description:* TCRA 2014 to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5050.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–554–000.

*Applicants:* WBI Energy Transmission, Inc.

*Description:* 2014 Annual Fuel and Electric Power Reimbursement to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5051.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–555–000.

*Applicants:* Southern Star Central Gas Pipeline, Inc.

*Description:* Fuel Filing—Eff. April 1, 2014 to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5066.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–556–000.

*Applicants:* Portland Natural Gas Transmission System.

*Description:* Creditworthiness Revisions to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5071.

*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–557–000.

*Applicants:* Northern Natural Gas Company.

*Description:* 20140228 Black Hills Non-Conforming to be effective 4/1/2014.

*Filed Date:* 2/28/14.

*Accession Number:* 20140228–5073.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–558–000.
*Applicants:* Cheniere Creole Trail Pipeline, L.P.
*Description:* Transportation Retainage Adjustment to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5075.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–559–000.
*Applicants:* Colorado Interstate Gas Company, L.L.C.
*Description:* FL&U to be effective April 1, 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5095.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–560–000.
*Applicants:* KO Transmission Company.
*Description:* Transportation Retainage Adjustment Filing 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5114.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–561–000.
*Applicants:* Central Kentucky Transmission Company.
*Description:* RAM 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5116.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–562–000.
*Applicants:* TransColorado Gas Transmission Company L.
*Description:* TransColorado Gas Transmission Company LLC 2013 Annual Fuel Gas Reimbursement Percentage Report.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5129.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–563–000.
*Applicants:* Tennessee Gas Pipeline Company, L.L.C.
*Description:* Fuel Tracker 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5130.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–564–000.
*Applicants:* Florida Gas Transmission Company, LLC.
*Description:* Fuel Filing on 2–28–14 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5133.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–565–000.
*Applicants:* Transcontinental Gas Pipe Line Company.
*Description:* Trenton Woodbury Expansion to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5134.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–566–000.
*Applicants:* Dauphin Island Gathering Partners.
*Description:* Storm Surcharge Filing, no change in rate of Dauphin Island Gathering Partners.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5136.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–567–000.
*Applicants:* Columbia Gas Transmission, LLC.
*Description:* OTRA Tariff Modification to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5137.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–568–000.
*Applicants:* Crossroads Pipeline Company.
*Description:* Crossroads Pipeline Company Annual Transportation Retainage Filing.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5149.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–569–000.
*Applicants:* Millennium Pipeline Company, LLC.
*Description:* RAM 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5152.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–570–000.
*Applicants:* Cimarron River Pipeline, LLC.
*Description:* Fuel Tracker 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5156.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–571–000.
*Applicants:* Dominion Transmission, Inc.
*Description:* DTI—Allegheny Storage Project (CP12–72) Storage Service to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5163.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–572–000.
*Applicants:* Dominion Transmission, Inc.
*Description:* DTI—February 28, 2014 Negotiated Rate & Nonconforming SA to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5168.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–573–000.
*Applicants:* KPC Pipeline, LLC.
*Description:* KPC Fuel Reimbursement Adjustment to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5170.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–574–000.
*Applicants:* Crossroads Pipeline Company.
*Description:* Crossroads Pipeline Company Annual Report on Operational Transactions.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5177.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–575–000.
*Applicants:* Columbia Gas Transmission, LLC.
*Description:* Columbia Gas Transmission, LLC Annual Report on Operational Transactions.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5178.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–576–000.
*Applicants:* Columbia Gulf Transmission, LLC.
*Description:* Columbia Gulf Transmission, LLC Annual Report on Operational Transactions.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5179.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–577–000.
*Applicants:* Hardy Storage Company, LLC.
*Description:* Hardy Storage Company, LLC Annual Report on Operational Transactions.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5180.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–578–000.
*Applicants:* American Midstream (Midla), LLC.
*Description:* Midla Non-Conforming Agreements to be effective 3/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5184.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–579–000.
*Applicants:* Millennium Pipeline Company, LLC.
*Description:* Negotiated Rate Service Agmt—Amendment SW 27912 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5188.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–580–000.
*Applicants:* Iroquois Gas Transmission System, L.P.
*Description:* 02/28/14 Negotiated Rates—JP Morgan Ventures Energy Corp (HUB) 6025–89 to be effective 2/27/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5205.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–581–000.
*Applicants:* Iroquois Gas Transmission System, L.P.

*Description:* 02/28/14 Negotiated Rates—Trafigura AG (HUB) 7445–89 to be effective 2/27/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5208.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–582–000.
*Applicants:* Gulf South Pipeline Company, LP.
*Description:* Enhancement to PXS Service to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5210.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–583–000.
*Applicants:* MarkWest Pioneer, L.L.C.
*Description:* MarkWest Pioneer—Quarterly FRP Filing to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5216.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–584–000.
*Applicants:* Northern Natural Gas Company.
*Description:* 20140228 Negotiated Rate to be effective 3/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5220.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–585–000.
*Applicants:* Millennium Pipeline Company, LLC.
*Description:* Negotiated Rate & Non-Conforming Agreement—WPX, Columbia, SW to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5251.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–586–000.
*Applicants:* Dominion Cove Point LNG, LP.
*Description:* DCP—2014 Annual EPCA to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5258.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–587–000.
*Applicants:* Dominion Cove Point LNG, LP.
*Description:* DCP—2014 Annual Fuel Retainage to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5262.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–588–000.
*Applicants:* Transcontinental Gas Pipe Line Company.
*Description:* LG–S Rate Schedule Revision to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5303.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–589–000.
*Applicants:* Iroquois Gas Transmission System, L.P.
*Description:* 02/28/14 Negotiated Rates—Tenaska Gas Storage, LLC (HUB) 1175–89 to be effective 2/27/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5000.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–590–000.
*Applicants:* Rockies Express Pipeline LLC.
*Description:* Neg Rate 2014–02–28 Conoco Phillips, BP to be effective 3/1/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5001.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–592–000.
*Applicants:* Equitrans, L.P.
*Description:* Revised Formula-Based Negotiated Rates to be effective 3/1/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5016.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–593–000.
*Applicants:* Iroquois Gas Transmission System, L.P.
*Description:* 03/03/14 Negotiated Rates—JP Morgan Ventures Energy Corp (HUB) 6025–89 to be effective 3/1/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5017.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–594–000.
*Applicants:* Midwestern Gas Transmission Company.
*Description:* Negotiated Rate PAL Agreements—BP Canada Energy Marketing & Exelon Generation to be effective 3/3/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5018.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–595–000.
*Applicants:* Iroquois Gas Transmission System, L.P.
*Description:* 03/03/14 Negotiated Rates—Trafigura AG (HUB) 7445–89 to be effective 2/28/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5019.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–596–000.
*Applicants:* Energy West Development, Inc.
*Description:* LAUF Adjustment Filing to be effective 4/2/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5024.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–597–000.
*Applicants:* Midwestern Gas Transmission Company.
*Description:* Negotiated Rate PAL Agreement—Northern Indiana Public Service Company to be effective 3/3/2014.
*Filed Date:* 3/3/14.
*Accession Number:* 20140303–5028.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–598–000.
*Applicants:* Midwestern Gas Transmission Company.
*Description:* Negotiated Rate PAL Agreement—Spark Energy Gas, L.P. to be effective 3/3/2014.
*Filed Date:* 3/4/14.
*Accession Number:* 20140304–5001.
*Comments Due:* 5 p.m. ET 3/17/14.
*Docket Numbers:* RP14–599–000.
*Applicants:* Gulf South Pipeline Company, LP.
*Description:* Neg Rate Agmt Filing (Tenaska 42095) to be effective 3/3/2014.
*Filed Date:* 3/4/14.
*Accession Number:* 20140304–5009.
*Comments Due:* 5 p.m. ET 3/17/14.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

**Filings in Existing Proceedings**

*Docket Numbers:* RP13–526–002.
*Applicants:* Gulf South Pipeline Company, LP.
*Description:* Request to Postpone Effectiveness of Certain Tariff Records.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5042.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–560–001.
*Applicants:* KO Transmission Company.
*Description:* Amendment to Docket No. RP14–560 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5263.
*Comments Due:* 5 p.m. ET 3/12/14.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf.* For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated March 4, 2014.

**Nathaniel J. Davis, Sr.,**

*Deputy Secretary.*

[FR Doc. 2014–05095 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

**Filings Instituting Proceedings**

*Docket Numbers:* PR14–25–000.
*Applicants:* Moss Bluff Hub, LLC.
*Description:* Tariff filing per 284.123(e)/.224: No-notice Service to be effective 3/1/2014; TOFC 770.
*Filed Date:* 2/25/14.
*Accession Number:* 20140225–5029.
*Comments Due:* 5 p.m. ET 3/18/14.

*Docket Numbers:* PR14–26–000.
*Applicants:* Bay Gas Storage, LLC.
*Description:* Tariff filing per 284.123(e)/.224; Annual Company Use Percentage 2014 to be effective 3/1/2012; TOFC: 770.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5124.
*Comments Due:* 5 p.m. ET 3/20/14.

*Docket Numbers:* RP14–524–000.
*Applicants:* Viking Gas Transmission Company.
*Description:* LMCRA—Spring 2014 to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5047.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–525–000.
*Applicants:* Ruby Pipeline, L.L.C.
*Description:* FL&U and EPC effective April 1, 2014 to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5057.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–526–000.
*Applicants:* Transcontinental Gas Pipe Line Company.
*Description:* Annual Electric Power Tracker Filing effective April 1, 2014 to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5063.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–527–000.
*Applicants:* Northwest Pipeline LLC.
*Description:* South Seattle Incremental Rate Update to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5082.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–528–000.
*Applicants:* Transcontinental Gas Pipe Line Company.
*Description:* Remove x–274 & X–275 References to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5090.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–529–000.
*Applicants:* High Island Offshore System, L.L.C.
*Description:* High Island Offshore System, L.L.C. submits 2014 Annual Fuel Filing for calendar year 2013 activity.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5096.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–530–000.
*Applicants:* Natural Gas Pipeline Company of America.
*Description:* Removing Expired/Expiring Agreements to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5098.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–531–000.
*Applicants:* Northwest Pipeline LLC.
*Description:* 2014 Summer Fuel Filing to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5108.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–532–000.
*Applicants:* Natural Gas Pipeline Company of America.
*Description:* Tenaska LPS–RO142972 to be effective 3/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5118.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–533–000.
*Applicants:* Noble Energy, Inc., Foundation Energy Management, LLC.
*Description:* Joint Petition for Temporary Waiver of Commission Policies, Capacity Release Regulations and Related Tariff Provisions of Noble Energy, Inc and Foundation Energy Management, LLC.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5122.
*Comments Due:* 5 p.m. ET 3/6/14.

*Docket Numbers:* RP14–534–000.
*Applicants:* LA Storage, LLC.
*Description:* LA Storage Annual Adjustment of Fuel Retainage Percentage 2014 to be effective 10/1/2013.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5125.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–535–000.
*Applicants:* High Point Gas Transmission, LLC.
*Description:* Annual Unaccounted for Gas Retention Percentage Filing of High Point Gas Transmission, LLC.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5126.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–536–000.
*Applicants:* Rockies Express Pipeline LLC.
*Description:* 2014 Annual FL&U Percentage Adjustment to be effective 4/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5136.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–537–000.
*Applicants:* Transcontinental Gas Pipe Line Company.
*Description:* Negotiated Rates—Cherokee AGL—Replacement Shippers—Mar 2014 to be effective 3/1/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5224.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–538–000.
*Applicants:* Midwestern Gas Transmission Company.
*Description:* PAL Negotiated Rate Agreement—NJR Energy Services to be effective 2/27/2014.
*Filed Date:* 2/27/14.
*Accession Number:* 20140227–5227.
*Comments Due:* 5 p.m. ET 3/11/14.

*Docket Numbers:* RP14–539–000.
*Applicants:* Kern River Gas Transmission Company.
*Description:* 2014 Daggett Surcharge to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5001.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–540–000.
*Applicants:* Paiute Pipeline Company.
*Description:* 2014 Rate Case to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5002.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–541–000.
*Applicants:* Sabine Pipe Line LLC.
*Description:* Sabine's Annual LUAF and Fuel Filing to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5003.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–542–000.
*Applicants:* Cheyenne Plains Gas Pipeline Company, L.
*Description:* CPG Non-Conforming Negotiated Rate Update Filing to be effective 3/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5005.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–543–000.
*Applicants:* Equitrans, L.P.
*Description:* Non-conforming & Negotiated Rate Service Agreements—PNG, PTWP & Antero to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5006.
*Comments Due:* 5 p.m. ET 3/12/14.

*Docket Numbers:* RP14–544–000.
*Applicants:* Panhandle Eastern Pipe Line Company, LP.

*Description:* Fuel Filing on 2–28–2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5023.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–545–000.
*Applicants:* Trunkline Gas Company, LLC.
*Description:* Fuel Filing on 2–28–2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5024.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–546–000.
*Applicants:* Southwest Gas Storage Company.
*Description:* Fuel Filing on 2–28–2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5025.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–547–000.
*Applicants:* Northern Border Pipeline Company.
*Description:* BP Canada Energy Mktg Agmt to be effective 3/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5026.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–548–000.
*Applicants:* Elba Express Company, L.L.C.
*Description:* Cost and Revenue Study.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5028.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–549–000.
*Applicants:* ANR Pipeline Company.
*Description:* Fuel Filing 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5039.
*Comments Due:* 5 p.m. ET 3/12/14.
*Docket Numbers:* RP14–550–000.
*Applicants:* Columbia Gulf Transmission, LLC.
*Description:* TRA 2014 to be effective 4/1/2014.
*Filed Date:* 2/28/14.
*Accession Number:* 20140228–5040.
*Comments Due:* 5 p.m. ET 3/12/14.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR § 385.211 and § 385.214) on or before 5:00 p.m. Eastern time on the specified date(s). Protests may be considered, but intervention is necessary to become a party to the proceeding.

*Filings in Existing Proceedings*

*Docket Numbers:* RP14–499–001.
*Applicants:* Northwest Pipeline LLC.
*Description:* Conditional Service Agreement Extensions Ammendment to be effective 4/1/2014.
*Filed Date:* 2/26/14.
*Accession Number:* 20140226–5159.
*Comments Due:* 5 p.m. ET 3/10/14.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR § 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf.* For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated February 28, 2014.

**Nathaniel J. Davis, Sr.,**

*Deputy Secretary.*

[FR Doc. 2014–05048 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket Nos. CP13–36–000, CP13–132–000]**

### Transcontinental Gas Pipe Line Company; Notice of Availability of the Final Environmental Impact Statement for the Proposed Rockaway Delivery Lateral and Northeast Connector Projects

The staff of the Federal Energy Regulatory Commission (FERC or Commission) has prepared this final environmental impact statement (EIS) for the Rockaway Delivery Lateral Project and Northeast Connector Project (collectively referred to as the Projects) as proposed by Transcontinental Gas Pipe Line Company (Transco) in the above-referenced dockets. For the Rockaway Delivery Lateral Project, Transco requests authorization to expand its natural gas pipeline system in New York to provide firm delivery lateral service of 647 thousand dekatherms per day (Mdth/d) of natural gas to National Grid's distribution system in New York City. For the Northeast Connector Project, Transco proposes to modify existing compressor station facilities along its existing pipeline system in Pennsylvania and New Jersey to provide 100 Mdth/d of new incremental natural gas supply to National Grid, as part of the 647 Mdth/d to be provided by the Rockaway Delivery Lateral Project. The Northeast Connector Project would be operationally dependent on the Rockaway Delivery Lateral Project with similar construction and in-service schedules.

The final EIS assesses the potential environmental effects of construction and operation of the Projects in accordance with the requirements of the National Environmental Policy Act (NEPA). The FERC staff concludes that approval of the Projects would have some adverse environmental impacts, but these impacts would be reduced to less-than-significant levels with the implementation of Transco's proposed mitigation and the additional measures recommended in the final EIS.

The National Park Service; U.S. Environmental Protection Agency; U.S. Army Corps of Engineers, New York District; National Oceanic and Atmospheric Administration, National Marine Fisheries Service; and City of New York participated as cooperating agencies in the preparation of the final EIS. Cooperating agencies have jurisdiction by law or special expertise with respect to resources potentially affected by a proposal and participate in the NEPA analysis. While the conclusions and recommendations presented in the final EIS were developed with input from the cooperating agencies, the federal cooperating agencies will present their own conclusions and recommendations in their respective Records of Decision for the Projects.

The final EIS addresses the potential environmental effects of construction and operation of the facilities proposed by Transco for the Projects. For the Rockaway Delivery Lateral Project, these facilities include:

- Approximately 3.2 miles of new 26-inch-diameter pipeline to deliver natural gas from Transco's existing Lower New York Bay Lateral (LNYBL) in the Atlantic Ocean to an onshore tie-in with the National Grid system on the Rockaway Peninsula in the Borough of Queens, Queens County, New York; and
- an onshore meter and regulating (M&R) facility to be built in the Borough of Brooklyn, Kings County, New York.

Approximately 2.6 miles of the proposed pipeline would be constructed offshore on submerged lands owned by New York State. About 0.6 mile of the pipeline would be built on federal lands, both onshore and offshore, within the Gateway National Recreation Area, which is administered by the National Park Service. Less than 0.1 mile of the pipeline would be built on land owned by the Triborough Bridge and Tunnel Authority.

The M&R facility would be constructed within a historic airplane hangar complex on Floyd Bennett Field, which is part of the Gateway National Recreation Area. Floyd Bennett Field is listed in the National Register of Historic Places as a historic district, and the hangar complex is considered a contributing element to the significance of the site. Transco is proposing to adaptively reuse and restore the hangar complex to an exterior appearance that would enhance the visual characteristics of Floyd Bennett Field Historic District.

For the Northeast Connector Project, Transco proposes to:

- Add an incremental 6,540 horsepower (hp) of compression at its existing Compressor Station 195 in York County, Pennsylvania by replacing three existing natural gas-fired reciprocating engines and appurtenant facilities with two new electric motor drives;
- add an incremental 5,000 hp of compression at its existing Compressor Station 205 in Mercer County, New Jersey by uprating two existing electric motor drives; and
- add an incremental 5,400 hp of compression at its existing Compressor Station 207 in Middlesex County, New Jersey by uprating two existing electric motor drives.

These modifications would occur on lands owned by Transco within the existing compressor station sites.

The FERC staff mailed copies of the final EIS to federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American tribes; potentially affected landowners; other interested individuals and non-governmental organizations; newspapers and libraries in the project area; and parties to this proceeding. Paper copy versions of this EIS were mailed to those specifically requesting them; all others received a compact disk version. In addition, the final EIS is available for public viewing on the FERC's Web site (*www.ferc.gov*). A limited number of hardcopies are available for distribution and public inspection at: Federal Energy Regulatory Commission, Public Reference Room, 888 First Street NE., Room 2A, Washington, DC 20426, (202) 502–8371.

Additional information about the Projects is available from the Commission's Office of External Affairs, at (866) 208–FERC, or on the FERC Web site (*www.ferc.gov*) using the eLibrary link. Click on the eLibrary link, click on ''General Search,'' and enter the docket number excluding the last three digits (i.e., CP13–36). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at *FercOnlineSupport@ferc.gov* or toll free at (866) 208–3676; for TTY, contact (202) 502–8659. The eLibrary link also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. Go to *www.ferc.gov/esubscribenow.htm.*

Dated: February 28, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05119 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Project No. 14582–000]**

### Mid-Atlantic Hydro, LLC; Notice of Preliminary Permit Application Accepted for Filing and Soliciting Comments, Motions To Intervene, and Competing Applications

On January 31, 2014, Mid-Atlantic Hydro, LLC filed an application for a preliminary permit, pursuant to section 4(f) of the Federal Power Act (FPA), proposing to study the feasibility of a hydropower project to be located at the U.S. Army Corps of Engineers' (Corps) George W. Andrews Lock and Dam on the Chattahoochee River near the town of Columbia in Houston County, Alabama. The sole purpose of a preliminary permit, if issued, is to grant the permit holder priority to file a license application during the permit term. A preliminary permit does not authorize the permit holder to perform any land-disturbing activities or otherwise enter upon lands or waters owned by others without the owners' express permission.

The proposed project would consist of the following: (1) A 100-foot-long, 150-foot-wide intake channel; (2) a 70-foot-long, 150-foot-wide, 40-foot-high powerhouse containing three generation units with a total capacity of 12 megawatts; (3) a 100-foot-long, 150-foot-wide tailrace; and (4) a 10-mile-long, 115kV transmission line to an existing transmission facility. The proposed project would have an average annual generation of 60,000 megawatt-hours, and operate as directed by the Corps.

*Applicant Contact:* Ms. Jennifer Mesirow, Mid-Atlantic Hydro, LLC, 5425 Wisconsin Avenue, Suite 600, Chevy Chase, MD 20815; Phone: (301) 718–4826.

*FERC Contact:* Christiane Casey, *christiane.casey@ferc.gov,* (202) 502–8577.

Deadline for filing comments, motions to intervene, competing applications (without notices of intent), or notices of intent to file competing applications: 60 days from the issuance of this notice. Competing applications and notices of intent must meet the requirements of 18 CFR 4.36. Comments, motions to intervene, notices of intent, and competing applications may be filed electronically via the Internet. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's Web site *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll free at 1–866–208–3676, or for TTY, (202) 502–8659. Although the Commission strongly encourages electronic filing, documents may also be paper-filed. To paper-file, mail an original and five copies to: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

More information about this project, including a copy of the application, can be viewed or printed on the ''eLibrary'' link of Commission's Web site at *http://www.ferc.gov/docs-filing/elibrary.asp.* Enter the docket number (P–14582) in the docket number field to access the document. For assistance, contact FERC Online Support.

Dated: February 28, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05124 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. CP14–90–000]**

### Equitrans, L.P.; Notice of Request Under Blanket Authorization

Take notice that on February 24, 2014, Equitrans, L.P. (Equitrans), 625 Liberty Avenue, Suite 1700, Pittsburgh, Pennsylvania 15222–3111, filed in Docket No. CP14–90–000, a prior notice request pursuant to sections 157.205, 157.208 and 157.210 of the Commission's Regulations under the Natural Gas Act (NGA) as amended, requesting authorization to construct 1,600 feet of 12-inch-diameter pipeline, above ground pig receiving and launching facilities at the existing Callisto Compressor Station and appurtenances, referred to as the H–164 Pipeline Project (Project) in Greene County, Pennsylvania. Equitrans states that the Project would increase the capacity of its Mainline System by 475,000 Dth per day enabling it to receive expanding natural gas production in the area and to provide incremental transportation service to an existing interconnection with Texas Eastern Transmission, L.P. at its Castillo Compressor Station. Equitrans estimates the costs of the proposed project to be approximately $11.1 million, all as more fully set forth in the application which is on file with the Commission and open to public inspection. The filing may also be viewed on the web at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or TTY, contact (202) 502–8659.

Any questions concerning this application may be directed to Paul W. Diehl, Senior Counsel, EQT Corporation, 625 Liberty Avenue Suite 1700, Pittsburgh, Pennsylvania 15222–3111, by telephone at (412) 395–5540 or by facsimile at (412) 553–7781 or by email at *pdiehl@eqt.com.*

Any person or the Commission's staff may, within 60 days after issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the regulations under the NGA (18 CFR 157.205), a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the allowed time for filing a protest, the instant request shall be treated as an application for authorization pursuant to section 7 of the NGA.

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding, or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commenter's will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commenter's will not be required to serve copies of filed documents on all other parties. However, the non-party commentary, will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov.* Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

Dated: March 4, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05121 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Notice Concerning Submittals Made During Adverse Weather-Related Government Closures

Take notice that the Commission is adopting the following procedural practice with respect to acceptance of submittals when, due to adverse weather that has resulted in the Office of Personnel Management closing Federal government offices in Washington, DC., the Commission is closed.

Effective March 7, 2014, when the Commission is closed due to adverse weather that has resulted in the Office of Personnel Management closing Federal government offices in Washington, DC, the Commission will not accept submittals—either in hardcopy format or in electronic format through ''FERC Online'' (including through eFiling and eTariff).

At such time as the Commission reopens, it will again accept submittals both in hardcopy format and in electronic format through ''FERC Online'' (including through eFiling and eTariff).

Dated: March 4, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05123 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### Notice of Technical Conference

| | |
|---|---|
| Filing Requirements for El. Utility S.A | Docket Nos. RM01–8–000 |
| Electricity Market Transparency Provisions of Section 220 of the Federal Power Act | Docket Nos. RM10–12–000 |
| Revisions to Electric Quarterly Report Filing Process | Docket Nos. RM12–3–000 |
| Revised Public Utility Filing Requirements for Electric Quarterly Reports | Docket Nos. ER02–2001–000 |

Take notice that on March 26, 2014, the staff of the Federal Energy Regulatory Commission (Commission) will hold a technical conference on the Revisions to Electric Quarterly Report (EQR) Filing Process. The conference will take place from 10:00 a.m. to 1:00 p.m. (EST), in the Commission Meeting Room at 888 First Street NE., Washington, DC 20426. The public may attend.

Commission staff will demonstrate the new EQR filing system announced in Order No. 770.[1] The new filing system includes two options for filing EQRs: one that will allow EQR users to file through a Web interface on the Commission's Web site, and a second that will allow an EQR filer to file its EQR in an Extensible Mark-up Language formatted file. At the conference, staff will discuss the filing system using examples of both the XML and Web interface approaches that the Commission believes parties will find useful ahead of the new filing system ''go-live'' date.

Any additional information regarding the agenda for the technical conference will be posted prior to the conference on the Calendar of Events on the Commission's Web site, *www.ferc.gov.*

A free Webcast of the conference will be available through *www.ferc.gov.* Anyone with Internet access interested in viewing this conference can do so by navigating to *www.ferc.gov*'s Calendar of Events and locating this event in the Calendar. The event will contain a link to the webcast. Capitol Connection provides technical support for the Webcasts and offers the option of listening to the conferences via phone-bridge for a fee. If you need technical support, please visit *www.CapitolConnections.org* or call (703) 993–3100.

Participants, either attending in person or on the Webcast, are encouraged to preregister at *https://www.ferc.gov/whats-new/registration/03-26-14-form.asp.* The Webcasting provides audio service and is archived. Participants may submit questions before or during the event via email to: *eqr@ferc.gov.* Please specify ''EQR Questions for Mar 26 Conference'' in the subject line of your emails.

This meeting/conference will be transcribed. Transcripts of the meeting/conference will be immediately available for a fee from Ace-Federal Reporters, Inc. (202–347–3700 or 1–800–336–6646).

[1] *Revisions to Electric Quarterly Report Filing Process,* Order No. 770, FERC Stats. & Regs. ¶ 31,338 (2012).

Any additional information regarding the agenda for the technical conference will be posted prior to the conference on the Calendar of Events on the Commission's Web site, *www.ferc.gov.*

For more information about the technical conference, please contact:

Carol B. White, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, (202) 502–6338, *carol.white@ferc.gov.*

Sarah McKinley, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, (202) 502–8368, *sarah.mckinley@ferc.gov.*

Dated: March 4, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05117 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. AD14–2–000]**

### Review of Cost Submittals by Other Federal Agencies for Administering Part I of the Federal Power Act; Notice of Technical Conference

In an order issued on October 8, 2004, the Commission set forth a guideline for Other Federal Agencies (OFAs) to submit their costs related to Administering Part I of the Federal Power Act. *Order On Rehearing Consolidating Administrative Annual Charges Bill Appeals And Modifying Annual Charges Billing Procedures,* 109 FERC ¶ 61,040 (2004) (October 8 Order). The Commission required OFAs to submit their costs using the OFA Cost Submission Form. The October 8 Order also announced that a technical conference would be held for the purpose of reviewing the submitted cost forms and detailed supporting documentation.

The Commission will hold a technical conference for reviewing the submitted OFA costs. The purpose of the conference will be for OFAs and licensees to discuss costs reported in the forms and any other supporting documentation or analyses.

The technical conference will be held on March 20, 2014, in Conference Room 3M–1 at the Commission's headquarters, 888 First Street NE., Washington, DC. The technical conference will begin at 2:00 p.m. (EST).

The technical conference will also be transcribed. Those interested in obtaining a copy of the transcript immediately for a fee should contact the Ace-Federal Reporters, Inc., at 202–347–3700, or 1–800–336–6646. Two weeks after the post-forum meeting, the transcript will be available for free on the Commission's e-library system. Anyone without access to the Commission's Web site or who has questions about the technical conference should contact Norman Richardson at (202) 502–6219 or via email at *annualcharges@ferc.gov.*

FERC conferences are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations please send an email to *accessibility@ferc.gov* or call toll free (866) 208–3372 (voice), (202) 208–8659 (TTY), or send a FAX to 202–208–2106 with the required accommodations.

Dated: March 4, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05118 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

**[Docket No. RM13–5–000]**

### Version 5 Critical Infrastructure Protection Reliability Standards; Notice of Technical Conference

Take notice that the Federal Energy Regulatory Commission (Commission) will hold a staff-led technical conference on Critical Infrastructure Protection Issues Identified in Order No. 791 on April 29, 2014, beginning at 9:00 a.m. and ending at approximately 5:00 p.m. (Eastern Time). The conference will be held at the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The technical conference shall facilitate a structured dialogue on operational and technical issues identified by the Commission in the Critical Infrastructure Protection (CIP) version 5 Standards Final Rule. Technical Conference panelists may be asked to address: (1) Whether additional definitions and/or security controls are needed to protect Bulk-Power System communications networks, including remote systems access; (2) the adequacy of the approved CIP version 5 Standards' protections for Bulk-Power System data being transmitted over data networks; and (3) functional differences between the respective methods utilized for identification, categorization, and specification of appropriate levels of protection for cyber assets using CIP

version 5 Standards as compared with those employed within the National Institute of Standards and Technology Security Risk Management Framework. The technical conference will be led by Commission staff, with prepared remarks to be presented by invited panelists, which must be submitted to the Commission shortly in advance of the conference. A subsequent notice detailing the topics to be discussed and agenda will be issued in advance of the conference.

There is no fee for attendance. However, members of the public are encouraged to preregister online at: *https://www.ferc.gov/whats-new/registration/04-29-14-form.asp*.

Those wishing to participate in panel discussions should submit nominations no later than close of business on March 14 online at: *https://www.ferc.gov/whats-new/registration/04-29-14-speaker-form.asp*.

There will be no webcast of this event. However, it will be transcribed. Transcripts of the meeting/conference will be immediately available for a fee from Ace-Federal Reporters, Inc. (202–347–3700 or 1–800–336–6646).

FERC conferences are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations please send an email to *accessibility@ferc.gov* or call toll free (866) 208–3372 (voice) or (202) 502–8659 (TTY), or send a fax to (202) 208–2106 with the requested accommodations.

For more information about the technical conference, please contact: Sarah McKinley, Office of External Affairs, 202–502–8368, *sarah.mckinley@ferc.gov*.

Dated: February 27, 2014.

**Kimberly D. Bose,**

*Secretary.*

[FR Doc. 2014–05125 Filed 3–7–14; 8:45 am]

**BILLING CODE 6717–01–P**

## ENVIRONMENTAL PROTECTION AGENCY

**[FRL 9907–60–OA]**

### Meetings of the Local Government Advisory Committee and the Small Communities Advisory Subcommittee

**AGENCY:** Environmental Protection Agency.

**ACTION:** Notice.

**SUMMARY:** The Small Communities Advisory Subcommittee (SCAS) will meet in Washington, DC, on Wednesday, March 26, 2014, 11:00 a.m.–12:30 p.m. (EST). The Subcommittee will discuss training related to decentralized wastewater treatment; affordability; and other issues and recommendations to the Administrator regarding environmental issues affecting small communities. The Local Government Advisory Committee (LGAC) will meet in Washington, DC, on Thursday, March 27, 2014, 8:00 a.m.–5:30 p.m. (EST), and Friday, March 28, 2014, 8:00 a.m.–12:30 p.m. (EST). The focus of the Committee meeting will be on issues pertaining to protecting America's waters; cleaning up our communities; air, climate and energy; and climate change resiliency and sustainability.

These are open meetings, and all interested persons are invited to participate. The Subcommittee will hear comments from the public between 1:30 p.m. and 2:00 p.m. on Wednesday, March 26, 2014, and the Committee will hear comments from the public between 1:30 p.m. and 2:00 p.m. on Thursday, March 27, 2014. Individuals or organizations wishing to address the Subcommittee or the Committee will be allowed a maximum of five minutes to present their point of view. Also, written comments should be submitted electronically to *eargle.frances@epa.gov*. Please contact the Designated Federal Officer (DFO) at the number listed below to schedule a time on the agenda. Time will be allotted on a first-come first-serve basis, and the total period for comments may be extended if the number of requests for appearances requires it.

**ADDRESSES:** The Small Communities Advisory Subcommittee meetings will be held at the U.S. Environmental Protection Agency, Conference Room William Jefferson Clinton Building North, Room 3530, 1200 Pennsylvania Ave. NW., Washington, DC 20460. The Local Government Advisory Committee meetings will be held at the U.S. Environmental Protection Agency, William Jefferson Clinton Building North, Room 5020, 1200 Pennsylvania Ave. NW., Washington, DC 20460. Meeting summaries will be available after the meeting online at *www.epa.gov/ocir/scas_lgac/lgac_index.htm* and can be obtained by written request to the DFO.

**FOR FURTHER INFORMATION CONTACT:** Local Government Advisory Committee (LGAC) and Small Communities Advisory Subcommittee (SCAS), contact Frances Eargle, Designated Federal Officer, at (202) 564–3115 or email at *eargle.frances@epa.gov*.

*Information on Services for Those with Disabilities:* For information on access or services for individuals with disabilities, please contact Frances Eargle at (202) 564–3115 or email at *eargle.frances@epa.gov*. To request accommodation of a disability, please request it 10 days prior to the meeting, to give EPA as much time as possible to process your request.

Dated: February 25, 2014.

**Frances Eargle,**

*Designated Federal Officer, Local Government Advisory Committee.*

[FR Doc. 2014–05099 Filed 3–7–14; 8:45 am]

**BILLING CODE 6560–50–P**

## EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

### Sunshine Act Notice

**AGENCY HOLDING THE MEETING:** Equal Employment Opportunity Commission.

**DATE AND TIME:** Wednesday, March 12, 2014, 9:30 a.m. Eastern Time.

**PLACE:** Commission Meeting Room on the First Floor of the EEOC Office Building, 131 ''M'' Street NE., Washington, DC 20507.

**STATUS:** The meeting will be open to the public.

**MATTERS TO BE CONSIDERED:**

*Open Session:*

1. Announcement of Notation Votes, and
2. Social Media in the Workplace: Examining Implications for Equal Employment Opportunity Law.

**Note:** In accordance with the Sunshine Act, the meeting will be open to public observation of the Commission's deliberations and voting. Seating is limited and it is suggested that visitors arrive 30 minutes before the meeting in order to be processed through security and escorted to the meeting room. (In addition to publishing notices on EEOC Commission meetings in the **Federal Register,** the Commission also provides information about Commission meetings on its Web site, *eeoc.gov.*, and provides a recorded announcement a week in advance on future Commission sessions.)

Please telephone (202) 663–7100 (voice) and (202) 663–4074 (TTY) at any time for information on these meetings. The EEOC provides sign language interpretation and Communication Access Realtime Translation (CART) services at Commission meetings for the hearing impaired. Requests for other reasonable accommodations may be made by using the voice and TTY numbers listed above.

**CONTACT PERSON FOR MORE INFORMATION:** Bernadette B. Wilson, Acting Executive Officer on (202) 663–4077.

This Notice Issued March 5, 2014.

Dated: March 5, 2014.

**Bernadette B. Wilson,**

*Acting Executive Officer, Executive Secretariat.*

[FR Doc. 2014–05141 Filed 3–6–14; 11:15 am]

**BILLING CODE 6570–01–P**

## EXPORT-IMPORT BANK OF THE UNITED STATES

**[Public Notice: EIB–2014–0016]**

### Application for Final Commitment for a Long-Term Loan or Financial Guarantee in Excess of $100 Million: AP088368XX

**AGENCY:** Export-Import Bank of the United States.

**ACTION:** Notice.

**SUMMARY:** This Notice is to inform the public, in accordance with Section 3(c)(10) of the Charter of the Export-Import Bank of the United States (''Ex-Im Bank''), that Ex-Im Bank has received an application for final commitment for a long-term loan or financial guarantee in excess of $100 million (as calculated in accordance with Section 3(c)(10) of the Charter).

Comments received within the comment period specified below will be presented to the Ex-Im Bank Board of Directors prior to final action on this Transaction. Comments received will be made available to the public.

**DATES:** Comments must be received on or before April 4, 2014 to be assured of consideration before final consideration of the transaction by the Board of Directors of Ex-Im Bank.

**ADDRESSES:** Comments may be submitted through Regulations.gov at *WWW.REGULATIONS.GOV*. To submit a comment, enter EIB–2014–0016 under the heading ''Enter Keyword or ID'' and select Search. Follow the instructions provided at the Submit a Comment screen. Please include your name, company name (if any) and EIB–2014–0016 on any attached document.

*Reference:* AP088368XX.

*Purpose and Use:*

*Brief description of the purpose of the transaction:*

This transaction will support the export of a U.S.-manufactured offshore drilling platform and its related equipment.

*Brief non-proprietary description of the anticipated use of the items being exported:*

To be used for oil exploration and production in the Gulf of Mexico.

To the extent that Ex-Im Bank is reasonably aware, the item(s) being exported may be used to produce exports or provide services in competition with the exportation of goods or provision of services by a United States industry.

*Parties:*

Principal Supplier: Keppel AmFels, National Oilwell Varco.

Obligor: Central Panuco, S.A. de C.V.

Guarantor(s): Perforadora Central SA de CV (''Perforadora''), 100% owner of Pánuco and Perforadora's affiliate companies; Exploraciones y Perforadora Central SA de CV and Mantenimiento Perforadora Cd del Carmen SC de RL de CV, as joint and several guarantors (''Guarantors'').

*Description of Items Being Exported:* An offshore drilling platform and its related equipment.

*Information on Decision:* Information on the final decision for this transaction will be available in the ''Summary Minutes of Meetings of Board of Directors'' on *http://exim.gov/newsandevents/boardmeetings/board*

*Confidential Information:* Please note that this notice does not include confidential or proprietary business information; information which, if disclosed, would violate the Trade Secrets Act; or information which would jeopardize jobs in the United States by supplying information that competitors could use to compete with companies in the United States.

**Joyce Brotemarkle Stone,**

*Program Specialist, Office of the General Counsel.*

[FR Doc. 2014–05036 Filed 3–7–14; 8:45 am]

**BILLING CODE 6690–01–P**

## FEDERAL COMMUNICATIONS COMMISSION

### Federal Advisory Committee Act; Technological Advisory Council

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice of public meeting.

**SUMMARY:** In accordance with the Federal Advisory Committee Act, this notice advises interested persons that the Federal Communications Commission's (FCC) Technological Advisory Council will hold a meeting on Monday, March 10, 2014 in the Commission Meeting Room, from 1 p.m. to 4 p.m. at the Federal Communications Commission, 445 12th Street SW., Washington, DC 20554.

**DATES:** March 10, 2014.

**ADDRESSES:** Federal Communications Commission, 445 12th Street SW., Washington, DC 20554.

**FOR FURTHER INFORMATION CONTACT:** Walter Johnston, Chief, Electromagnetic Compatibility Division, 202–418–0807; *Walter.Johnston@FCC.gov*.

**SUPPLEMENTARY INFORMATION:** The FCC Technological Advisory Council will discuss its proposed work program for 2014. The FCC will attempt to accommodate as many people as possible. However, admittance will be limited to seating availability. Meetings are also broadcast live with open captioning over the internet from the FCC Live Web page at *http://www.fcc.gov/live/*. The public may submit written comments before the meeting to: Walter Johnston, the FCC's Designated Federal Officer for Technological Advisory Council by email: *Walter.Johnston@fcc.gov* or U.S. Postal Service Mail (Walter Johnston, Federal Communications Commission, Room 7–A224, 445 12th Street SW., Washington, DC 20554). Open captioning will be provided for this event. Other reasonable accommodations for people with disabilities are available upon request. Requests for such accommodations should be submitted via email to *fcc504@fcc.gov* or by calling the Office of Engineering and Technology at 202–418–2470 (voice), (202) 418–1944 (fax). Such requests should include a detailed description of the accommodation needed. In addition, please include your contact information. The notice of this meeting was first published in the **Federal Register** March 10, 2014, only 0 days in advance of the meeting on March 10, 2014. While the publication did not meet the 15-day requirement for advance publication, exceptional circumstances warrant proceeding with the March 10, 2014 TAC meeting. TAC members were informed of the potential March 10 meeting at the December 9, 2013, public meeting of the Council with a confirmation of this date sent to them on December 17, 2013, and have been informed informally of the March meeting date on more than one occasion since then. A significant number of Council members have made business and travel plans in accordance with this schedule, and there is no date within one month of the planned date that will accommodate Council members' schedules. Delaying the meeting will also cause undue financial burdens on many of the members who have made travel arrangements. Further, recognizing the delay in **Federal Register** publication, the agency issued a Public Notice of this meeting on March 4, 2014, to mitigate the late **Federal Register** publication and as an additional way of advising the public of this meeting and their right to attend. The agency has also posted all TAC

meeting dates on the FCC TAC Web site to further inform the public. As the March 2014 meeting date was discussed at the December 2013 public meeting of the Council, the meeting has now been broadly announced.

Federal Communications Commission.

**Marlene H. Dortch,**

*Secretary.*

[FR Doc. 2014–05091 Filed 3–7–14; 8:45 am]

**BILLING CODE 6712–01–P**

## FEDERAL RESERVE SYSTEM

### Agency Information Collection Activities: Announcement of Board Approval Under Delegated Authority and Submission to OMB

**AGENCY:** Board of Governors of the Federal Reserve System.

**SUMMARY:** Notice is hereby given of the final approval of proposed information collections by the Board of Governors of the Federal Reserve System (Board) under OMB delegated authority, as per 5 CFR 1320.16 (OMB Regulations on Controlling Paperwork Burdens on the Public). Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer—Cynthia Ayouch—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452–3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263–4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer—Shagufta Ahmed—Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW.,Washington, DC 20503.

*Final approval under OMB delegated authority the implementation of the following information collections:*

1. *Report title:* Surveys of Consumer and Community Affairs Publications and Resources.

*Agency form number:* FR 1378.

*OMB control number:* 7100—to be assigned.

*Effective Date:* March 2014.

*Frequency:* On occasion.

*Respondents:* Individuals, households, nonprofits, community development organizations, consumer groups, financial institutions and other financial companies offering consumer financial products and services, other for profit companies, state or local agencies, and researchers from academic, government, policy and other institutions.

*Estimated annual reporting hours:* 2,300 hours.

*Estimated average hours per response:*

*Consumer surveys:* Quantitative surveys, 0.25 hours; qualitative surveys, 1.5 hours.

*Stakeholder surveys:* Quantitative surveys, 0.25 hours; qualitative surveys, 1.5 hours.

*Number of respondents:*

*Consumer surveys:* Quantitative surveys, 1,000; qualitative surveys, 50.

*Stakeholder surveys:* Quantitative surveys, 800; qualitative surveys, 50.

*General description of report:* This information collection is generally authorized under sections 2A and 12A of the Federal Reserve Act. Section 2A requires that the Board of Governors of the Federal Reserve System and the Federal Open Market Committee (FOMC) maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates. 12 U.S.C. 225a. In addition, under section 12A of the Federal Reserve Act, the FOMC is required to implement regulations relating to the open market operations conducted by Federal Reserve Banks with a view to accommodating commerce and business and with regard to the regulations' bearing upon the general credit situation of the country. 12 U.S.C. 263. The authority of the Federal Reserve to collect information to carry out the requirements of these provisions is implicit. Accordingly, the Federal Reserve is authorized to collect the information called for by the FR 1378 by sections 2A and 12A of the Federal Reserve Act.

In addition, the Board is responsible for implementing and drafting regulations and interpretations for various consumer protection laws. The information obtained from the FR 1378 may be used in support of the Board's development and implementation of regulatory provisions for these laws. Therefore, depending on the survey questions asked, the FR1378 may be authorized pursuant to the Board's authority under one or more of the following consumer protection statutes:

- Community Reinvestment Act, (12 U.S.C. 2905);
- Competitive Equality Banking Act, (12 U.S.C. 3806);
- Expedited Funds Availability Act, (12 U.S.C. 4008);
- Truth in Lending Act, (15 U.S.C. 1604); [1]
- Fair Credit Reporting Act, (15 U.S.C. 1681s(e)); [2]
- Equal Credit Opportunity Act, (15 U.S.C. 1691b); [3]
- Electronic Funds Transfer Act, (15 U.S.C. 1693b & 1693o–2); [4]
- Gramm-Leach-Bliley Act, (15 U.S.C. 6801(b)); [5] and
- Flood Disaster Protection Act of 1973, Section 102 (42 U.S.C. 4012a).

Participation in the FR 1378 is voluntary and the information collected on these surveys is not considered confidential. Access to contact information which is considered Personally Identifying Information (PII) is typically necessary to recruit respondents for the consumer and stakeholder surveys in this collection. Any PII used in recruiting respondents for these surveys will be handled in accordance with Board procedures.

*Abstract:* The Federal Reserve Board uses the FR 1378 surveys to seek input from users or potential users of its publications and resources to understand their interests and needs; to inform decisions concerning content, design, and dissemination strategies; to gauge public awareness of its publications and resources; and to assess the effectiveness of its

[1] Although the Dodd-Frank Act (DFA) cut back the Board's authority under the Truth in Lending Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1100A(7).

[2] Although the DFA cut back the Board's authority under the Fair Credit Reporting Act, the Board retains rule writing authority for red flags, address changes, and disposal of records. DFA §§ 1002(12)(F) and 1088(a)(2)(D).

[3] Although the DFA cut back the Board's authority under the Equal Credit Opportunity Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1085(3).

[4] Although the DFA cut back the Board's authority under the Electronic Fund Transfers Act, the Board retains rule writing authority for interchange fee regulations and authority to implement regulations with respect to auto dealers. DFA §§ 1075 & 1084.

[5] Although the DFA cut back the Board's authority under the Gramm-Leach-Bliley Act, the Board maintains the authority to establish appropriate standards for the financial institutions relating to administrative, technical and physical safeguards for certain customer records and information. DFA § 1002(12).

communications with various respondents.

Qualitative surveys include data gathering methods such as focus groups and individual interviews. Quantitative surveys include surveys conducted online or via mobile device, by phone, or by mail, or a combination of these methods. The Federal Reserve may choose to contract with an outside vendor to conduct focus groups, interviews, or surveys, or may choose to collect the data directly. The Federal Reserve may also work with outside parties when appropriate to identify potential respondents (e.g. networks of community groups or researchers) and to collect data. The frequency of the surveys and content of the questions may vary as needs arise for feedback on different resources and from different audiences.

*Current Actions:* On December 24, 2013, the Federal Reserve published a notice in the **Federal Register** (78 FR 77680) requesting public comment for 60 days on the implementation of the FR 1378. The comment period for this notice expired on February 24, 2014. The Federal Reserve did not receive any comments. The surveys will be implemented as proposed.

2. *Report title:* Consumer and Stakeholder Surveys.

*Agency form number:* FR 3073.

*OMB control number:* 7100-to be assigned.

*Effective Date:* March 2014.

*Frequency:* Quarterly, annually, and on occasion.

*Respondents:* Individuals, households, community groups, community development organizations, non-profit service providers, faith-based service organizations, public sector agencies, small business owners, health care organizations, food banks, K–12 public and private schools, community colleges, community development financial institutions, credit unions, banks, and other financial institutions and companies offering financial products and services.

*Estimated annual reporting hours:* 10,700 hours.

*Estimated average hours per response:*

*Consumer surveys:* Quantitative surveys (medium), 0.25 hours; Quantitative surveys (large), .40 hours; Qualitative surveys, 1.5 hours.

*Stakeholder surveys:* Quantitative surveys, 0.25 hours; Qualitative surveys, 1.5 hours.

*Number of respondents:*

*Consumer surveys:* Quantitative surveys (medium), 2,500; Quantitative surveys (large), 5,000; Qualitative surveys, 50.

*Stakeholder surveys:* Quantitative surveys, 1,500; Qualitative surveys, 50.

*General description of report:* This information collection is generally authorized under sections 2A and 12A of the Federal Reserve Act. Section 2A requires that the Board of Governors of the Federal Reserve System and the FOMC maintain long run growth of the monetary and credit aggregates commensurate with the economy's long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates. 12 U.S.C. 225a. In addition, under section 12A of the Federal Reserve Act, the FOMC is required to implement regulations relating to the open market operations conducted by Federal Reserve Banks with a view to accommodating commerce and business and with regard to the regulations' bearing upon the general credit situation of the country. 12 U.S.C. 263. The authority of the Federal Reserve to collect information to carry out the requirements of these provisions is implicit. Accordingly, the Federal Reserve is authorized to collect the information called for by the FR 3073 by sections 2A and 12A of the Federal Reserve Act.

The Board is responsible for implementing and drafting regulations and interpretations for various consumer protection laws. The information obtained from the FR 3073 may be used in support of the Board's development and implementation of regulatory provisions for these laws. Therefore, depending on the survey questions asked, the FR 3073 may be authorized pursuant to the Board's authority under one or more of the following consumer protection statutes:

- Community Reinvestment Act, (12 U.S.C. 2905);
- Competitive Equality Banking Act, (12 U.S.C. 3806);
- Expedited Funds Availability Act, (12 U.S.C. 4008);
- Truth in Lending Act, (15 U.S.C. 1604); [6]
- Fair Credit Reporting Act, (15 U.S.C. 1681s(e)); [7]
- Equal Credit Opportunity Act, (15 U.S.C. 1691b); [8]
- Electronic Funds Transfer Act, (15 U.S.C. 1693b & 1693o–2); [9]
- Gramm-Leach-Bliley Act, (15 U.S.C. 6801(b)); [10] and
- Flood Disaster Protection Act of 1973, Section 102 (42 U.S.C. 4012a).

Additionally, depending upon the survey respondent, the information collection may be authorized under a more specific statute. Specifically, the Board is authorized to collect information from state member banks under section 9 of the Federal Reserve Act (12 U.S.C. 324); from bank holding companies (and their subsidiaries) under section 5(c) of the Bank Holding Company Act (12 U.S.C. 1844(c)); from Edge and agreement corporations under section 25 and 25A of the Federal Reserve Act (12 U.S.C. 602 and 625); and from U.S. branches and agencies of foreign banks under section 7(c)(2) of the International Banking Act of 1978 (12 U.S.C. 3105(c)(2)) and under section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)).

Participation in the FR 3073 is voluntary. The ability of the Federal Reserve to maintain the confidentiality of information provided by respondents to the FR 3073 surveys will have to be determined on a case by case basis depending on the type of information provided for a particular survey. Some of the information collected on the surveys may be protected from Freedom of Information Act (FOIA) disclosure by FOIA exemptions 4 and 6. Exemption 4 protects from disclosure trade secrets and commercial or financial information, while Exemption 6 protects information ''the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.'' *See* 5 U.S.C. 552(b)(4) and (6).

Access to contact information which is considered PII is typically necessary to recruit respondents for the consumer and stakeholder surveys in this collection. Any PII used in recruiting respondents for these surveys will be handled in accordance with Board procedures. Outside vendors who conduct consumer surveys under contract with the Board remove PII

[6] Although the Dodd-Frank Act (DFA) cut back the Board's authority under the Truth in Lending Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1100A(7).

[7] Although the DFA cut back the Board's authority under the Fair Credit Reporting Act, the Board retains rule writing authority for red flags, address changes, and disposal of records. DFA §§ 1002(12)(F) and 1088(a)(2)(D).

[8] Although the DFA cut back the Board's authority under the Equal Credit Opportunity Act, the Board retains rule writing authority for implementing regulations with respect to auto dealers. DFA § 1085(3).

[9] Although the DFA cut back the Board's authority under the Electronic Fund Transfers Act, the Board retains rule writing authority for interchange fee regulations and authority to implement regulations with respect to auto dealers. DFA §§ 1075 & 1084.

[10] Although the DFA cut back the Board's authority under the Gramm-Leach-Bliley Act, the Board maintains the authority to establish appropriate standards for the financial institutions relating to administrative, technical and physical safeguards for certain customer records and information. DFA § 1002(12).

before providing survey data to the Board. Consumer survey data, whether collected by an outside vendor or by the Board, will be collected for research purposes only and any identifying information on respondents will be removed before any data is publicly released.

*Abstract:* The Federal Reserve uses the FR 3073 surveys to gather quantitative and qualitative information directly from individual consumers or households (consumer surveys) on consumer finance topics. This collection is used to gather quantitative and qualitative information on current and emerging community economic issues from stakeholders (stakeholder surveys). The Federal Reserve uses this collection to inform consumer-focused supervision, research, and policy analysis; implement statutory requirements; and facilitate community development. The surveys in this collection inform the Federal Reserve's work by identifying emerging risks and providing additional data on the issues that affect the well-being of consumers and communities and the function of the market for financial services. The frequency and content of the questions may change depending on economic conditions, regulatory, or legislative developments, as well as changes in technology, business practices, and other factors affecting consumers, stakeholders, and communities.

*Current Actions:* On December 24, 2013, the Federal Reserve published a notice in the **Federal Register** (78 FR 77680) requesting public comment for 60 days on the implementation of the FR 3073. The comment period for this notice expired on February 24, 2014. The Federal Reserve did not receive any comments. The surveys will be implemented as proposed.

Board of Governors of the Federal Reserve System, March 5, 2014.

**Robert deV. Frierson,**

*Secretary of the Board.*

[FR Doc. 2014–05069 Filed 3–7–14; 8:45 am]

**BILLING CODE 6210–01–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 March 25, 2014.

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

1. *Forest L. Kelly and Betty R. Kelly,* both of Tulsa, Oklahoma, as members of the Kelly Family Group, acting in concert, to retain voting shares of Citizens Bankshares, Inc., and thereby indirectly retain voting shares of Citizens State Bank, both in Okemah, Oklahoma.

Board of Governors of the Federal Reserve System, March 5, 2014.

**Michael J. Lewandowski,**

*Associate Secretary of the Board.*

[FR Doc. 2014–05087 Filed 3–7–14; 8:45 am]

**BILLING CODE 6210–01–P**

## FEDERAL RESERVE SYSTEM

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

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

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than April 7, 2014.

A. Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414:

1. *Stephenson National Bancorp, Inc.,* Marinette, Wisconsin; to merge with PWB Bancshares, Inc., and thereby indirectly acquire control of Bank North, both in Wausaukee, Wisconsin.

B. Federal Reserve Bank of St. Louis (Yvonne Sparks, Community Development Officer) P.O. Box 442, St. Louis, Missouri 63166–2034:

1. *BancorpSouth, Inc.,* Tupelo, Mississippi; to merge with Central Community Corporation, Temple, Texas, and thereby indirectly acquire First State Bank Central Texas, Austin, Texas.

Board of Governors of the Federal Reserve System, March 5, 2014.

**Michael J. Lewandowski,**

*Associate Secretary of the Board.*

[FR Doc. 2014–05086 Filed 3–7–14; 8:45 am]

**BILLING CODE 6210–01–P**

## FEDERAL RESERVE SYSTEM

### Notice of Proposals To Engage in or To Acquire Companies Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo,* or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated

or the offices of the Board of Governors not later than March 25, 2014.

A. Federal Reserve Bank of Dallas (E. Ann Worthy, Vice President) 2200 North Pearl Street, Dallas, Texas 75201–2272:

1. *First Bells Bankshares, Inc.,* Bells, Texas; to acquire 100 percent of the voting shares of Cendera Funding, Inc., Fort Worth, Texas, and thereby engage in extending credit and servicing loans, pursuant to section 225.28(b)(1).

Board of Governors of the Federal Reserve System, March 5, 2014.

**Michael J. Lewandowski,**

*Associate Secretary of the Board.*

[FR Doc. 2014–05088 Filed 3–7–14; 8:45 am]

**BILLING CODE 6210–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Disease Control and Prevention

**[30Day–14–0636]**

### Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) publishes a list of information collection requests under review by the Office of Management and Budget (OMB) in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35). To request a copy of these requests, call (404) 639–7570 or send an email to *omb@cdc.gov.* Send written comments to 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**

Centers for Disease Control and Prevention (CDC) Secure Public Health Emergency Response Communications Network (Epi-X) (OMB Control No. 0920–0636, exp. 5/31/2014)—Revision—Office of Public Health Preparedness and Response (OPHPR), Centers for Disease Control and Prevention (CDC).

*Background and Brief Description*

The effectiveness and efficiency of CDC's response to any public health incident depends on information at the agency's disposal to characterize and monitor the incident, make timely decisions, and take appropriate actions to prevent or reduce the impact of the incident.

Available information in anticipation of, during and following public health incident responses is often incomplete, is not easily validated by state and local health authorities, and is sometimes conflicting. This lack of reliable information often creates a high level of uncertainty with potential negative impacts on public health response operations. Secure communications with CDC's state, local, territorial, and tribal public health partners is essential to resolve conflicting information, validate incident status, and establish and maintain situational awareness. Reliable, secure communications are essential for the agency to gain and maintain accurate situational awareness, make informed decisions, and to respond in the most appropriate manner possible in order to minimize the impact of an incident on the public health of the United States.

This generic Information Collection Request (ICR) is being revised to: (1) Remove verbiage limiting data collection to activation of the Incident Management Structure, (2) broaden categories under which data may be collected to increase its utilization, and (3) provide clarity regarding the data elements.

*(Epi-X) is* CDC's Web-based communication system for securely communicating in immediate anticipation of, during and following public health emergencies that have multi-jurisdictional impacts and implications. The incidents of September 11, 2001 illustrated the need for an encrypted and secure communications system that would permit CDC to communicate urgently with partners at the state and local levels, and to notify them ''24 hours a day, 7 days a week'', when necessary. Similarly, *Epi-X* was specifically designed to provide public health decision-makers at the state and local levels a secure, reliable tool for communicating sensitive, unusual, or urgent public health incidents to neighboring jurisdictions as well as to CDC.

CDC has recognized a need to expand the use of *Epi-X* to collect specific response related information in anticipation of, during and following public health emergencies. Proposed data collection instruments under this generic ICR will be designed to ensure ready access to public health and disease epidemiology information.

Authorized officials from state and local health departments affected by the public health incident will be informed of this data collection first through an *Epi-X* Facilitator, who will work closely with *Epi-X* program staff and the *Epi-X* Information Collection Request Liaison to ensure that *Epi-X* incident specific information collections are understood. The survey instruments will contain specific questions relevant to the current and ongoing public health incident and response activities.

Respondents will receive the survey instrument(s) as an official CDC email, which is clearly labeled, ''*Epi-X* Emergency Public Health Incident Information Request.'' The email message will be accompanied by a link to an *Epi-X Forum* discussion Web page. Respondents can provide their answers to the survey questions by posting information within the discussion.

The estimated annual burden to respondents is 24,400 hours. The total estimated burden for the generic information collection is 73,200 hours for three years.

There are no costs to respondents except their time.

ESTIMATED ANNUALIZED BURDEN HOURS

| Type of respondent | Form name | Number of respondents | Number responses per respondent | Average burden per response (in hours) |
|---|---|---|---|---|
| State Epidemiologists | *Epi-X* Emergency Public Health Incident Information Request. | 50 | 104 | 1 |
| County Health Officials | *Epi-X* Emergency Public Health Incident Information Request. | 1,600 | 12 | 1 |

**Leroy 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. 2014–05077 Filed 3–7–14; 8:45 am]

**BILLING CODE 4163–18–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

**[Document Identifiers: CMS–10225, CMS–10502, CMS–10503, CMS–10504 and CMS–10506]**

### Agency Information Collection Activities: Submission for OMB Review; Comment Request

**ACTION:** Notice.

**SUMMARY:** The Centers for Medicare & Medicaid Services (CMS) is announcing an opportunity for the public to comment on CMS' intention to collect information from the public. Under the Paperwork Reduction Act of 1995 (PRA), federal agencies are required to publish notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, and to allow a second opportunity for public comment on the notice. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including any of the following subjects: (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.

**DATES:** Comments on the collection(s) of information must be received by the OMB desk officer by April 9, 2014.

**ADDRESSES:** When commenting on the proposed information collections, please reference the document identifier or OMB control number. To be assured consideration, comments and recommendations must be received by the OMB desk officer via one of the following transmissions: OMB, Office of Information and Regulatory Affairs, Attention: CMS Desk Officer, Fax Number: (202) 395–5806, *OR* Email: *OIRA_submission@omb.eop.gov*.

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, you may make your request using one of the following:

1. Access CMS' Web site address at *http://www.cms.hhs.gov/PaperworkReductionActof1995*.

2. Email your request, including your address, phone number, OMB number, and CMS document identifier, to *Paperwork@cms.hhs.gov*.

3. Call the Reports Clearance Office at (410) 786–1326.

**FOR FURTHER INFORMATION CONTACT:** Reports Clearance Office at (410) 786–1326.

**SUPPLEMENTARY INFORMATION:** Under the Paperwork Reduction Act of 1995 (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. The term ''collection of information'' is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3© 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 publish a 30-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice that summarizes the following proposed collection(s) of information for public comment:

1. *Type of Information Collection Request:* Revision of a currently approved collection; *Title of Information Collection:* Disclosures Required of Certain Hospitals and Critical Access Hospitals Regarding Physician Ownership; *Use:* There is no Medicare prohibition against physician investment in a hospital or critical access hospitals (CAH). Likewise, there is no Medicare requirement that a hospital or CAH have a physician on-site at all times; although, there is a requirement that they be able to provide basic elements of emergency care to their patients. Medicare quality and safety standards are designed to provide a national framework that is sufficiently flexible to apply simultaneously to hospitals of varying sizes, offering varying ranges of services in differing settings across the nation. At the same time, however, patients might consider an ownership interest by their referring physician, the presence of a physician on-site or both to be important factors in their decisions about where to seek hospital care. A well-educated consumer is essential to improving the quality and efficiency of the healthcare system. Accordingly, patients should be made aware of the physician ownership of a hospital, whether or not a physician is present in the hospital at all times, and the hospital's plans to address patients' emergency medical conditions when a physician is not present. The intent of the disclosures is to increase the transparency of the hospital's ownership and operations to patients as they make decisions about receiving care at the hospital. Please note that the associated information collection request has been revised subsequent to the publication of the 60-day **Federal Register** notice (78 FR 75925, December 13, 2013.). *Form Number:* CMS–10225 (OCN: 0938–1034); *Frequency:* Occasionally; *Affected Public:* Private sector—Business or other for-profits and Not-for-profit institutions; *Number of Respondents:* 2,597; *Total Annual Responses:* 30,654,968; *Total Annual Hours:* 261,447. (For policy questions regarding this collection contact Teresa Walden at 410–786–3755).

2. *Type of Information Collection Request:* New collection (Request for a new OMB control number); *Title of Information Collection:* Long Term Care Hospital Quality Reporting Program: Program Evaluation; *Use:* Section 3004(a) of the Affordable Care Act (ACA) mandated that we establish a quality reporting program for Long Term Care Hospitals (LTCHs). Specifically, section 3004(a) added section 1886(m)(5) to the Social Security Act (the Act) to establish a quality reporting program for LTCHs. This program requires that quality data be submitted by LTCH providers in a time, form and manner specified by the Secretary.

We are interested in exploring how LTCH providers are responding to the new quality reporting program (QRP) and its measures. We believe that it is important to understand early trends in outcomes, to make adjustments as needed to enhance the effectiveness of the program, and to seek opportunities to minimize provider burden, and ensure the QRP is useful and meaningful to providers. The methodology employed in the evaluation is the utilization of qualitative interviews (as opposed to quantitative statistical methods). In consultation with research experts, we have decided that at this juncture it would be meaningful to use a rich, contextual approach to evaluation the process and success of the QRP initiative.

The decision to pursue this quantitative methodology in 2013, in which we learned that providers are anxious to have their voice heard, but that they did not feel comfortable expressing themselves fully in public open door forums. Providers desired some level of confidentiality, which this methodology affords. The intended use of the information collected is to help inform us about CMS providers' experiences related to the QRPs, such as program impact related to quality improvement, burden, process-related issues, and education. This will also inform future measurement development for the LTCH QRP, future steps related to data validation, as well as future monitoring and evaluation. General findings may be used to discuss our future efforts in the QRP. *Form Number:* CMS–10502 (OCN: 0938–NEW); *Frequency:* Occasionally; *Affected Public:* Private sector—Business or other for-profits and Not-for-profit organizations; *Number of Respondents:* 30; *Total Annual Responses:* 30; *Total Annual Hours:* 71. (For policy questions regarding this collection contact Caroline Gallaher at 410–786–8705.)

3. *Type of Information Collection Request:* New collection (Request for a new OMB control number); *Title of Information Collection:* Inpatient Rehabilitation Facilities Quality Reporting Program: Program Evaluation; *Use:* Section 3004 of the Affordable Care Act (ACA) mandated that we establish a quality reporting program for Inpatient Rehabilitation Facilities (IRFs). Specifically, section 3004(a) added section 1886(j)(7) to the Social Security Act (''the Act'') to establish a quality reporting program (QRP) for IRFs. This program requires IRFs to submit quality data in a time, form and manner specified by the Secretary.

We are interested in exploring how IRF providers are responding to the new QRP and its measures. We believe that it is important to understand early trends in outcomes, to make adjustments as needed to enhance the effectiveness of the program, and to seek opportunities to minimize provider burden, and ensure the quality reporting program is useful and meaningful to the providers. The methodology employed in the evaluation is the utilization of qualitative interviews (as opposed to quantitative statistical methods). In consultation with research experts, we have decided that at this juncture it would be meaningful to use a rich, contextual approach to evaluation the process and success of the QRP initiative. The decision to pursue this quantitative methodology in 2013, in which we learned that providers are anxious to have their voice heard, but that they did not feel comfortable expressing themselves fully in public open door forums. Providers desired some level of confidentiality, which this methodology affords.

The intended use of the information collected is to help inform CMS providers' experiences related to the QRPs, such as program impact related to quality improvement, burden, process-related issues, and education. This will also inform future measurement development for the IRF QRP, future steps related to data validation, as well as future monitoring and evaluation. General findings may be used to discuss our future efforts in the QRP. *Form Number:* CMS–10503 (OCN: 0938–NEW); *Frequency:* Occasionally; *Affected Public:* Private sector—Business or other for-profits and Not-for-profit organizations; *Number of Respondents:* 30; *Total Annual Responses:* 30; *Total Annual Hours:* 71. (For policy questions regarding this collection contact Caroline Gallaher at 410–786–8705.)

4. *Type of Information Collection Request:* New collection (Request for a new OMB control number); *Title of Information Collection:* Hospice Quality Reporting Program: Program Evaluation; *Use:* Section 3004(c) of the Affordable Care Act (ACA) mandated that we establish a quality reporting program (QRP) for hospices. Specifically, section 3004(c) added section 1814(i)(5) to the Social Security Act (the Act) to establish a quality reporting program for hospices. This program requires that quality data be submitted by hospices providers in a time, form and manner specified by the Secretary.

We are interested in exploring how hospice providers are responding to the new QRP and its measures. We believe that it is important to understand early trends in outcomes, to make adjustments as needed to enhance the effectiveness of the program, and to seek opportunities to minimize provider burden, and ensure the quality reporting program is useful and meaningful to the providers. The methodology employed in the evaluation is the utilization of qualitative interviews (as opposed to quantitative statistical methods). In consultation with research experts, we have decided that at this juncture it would be meaningful to use a rich, contextual approach to evaluation the process and success of the QRP initiative. The decision to pursue this quantitative methodology in 2013, in which we learned that providers are anxious to have their voice heard, but that they did not feel comfortable expressing themselves fully in public open door forums. Providers desired some level of confidentiality, which this methodology affords.

The intended use of the information collected is to help inform CMS providers' experiences related to the QRPs, such as program impact related to quality improvement, burden, process-related issues, and education. This will also inform future measurement development for the hospice QRP, future steps related to data validation, as well as future monitoring and evaluation. General findings may be used to discuss our future efforts in the QRP. *Form Number:* CMS–10504 (OCN: 0938–NEW); *Frequency:* Occasionally; *Affected Public:* Private sector—Business or other for-profits and Not-for-profit organizations; *Number of Respondents:* 30; *Total Annual Responses:* 30; *Total Annual Hours:* 71. (For policy questions regarding this collection contact Caroline Gallaher at 410–786–8705.)

5. *Type of Information Collection Request:* New collection (Request for a new OMB control number); *Title of Information Collection:* Conditions of Participation for Community Mental Health Centers and Supporting Regulations in 42 CFR 485; *Use:* On June 17, 2011, we proposed for the first time new conditions of participation (CoPs) for community mental health centers (CMHCs). We finalized nd were finalized in the final rule that published October 29, 2013 (78 FR 64604), with an effective date 12-months after publication of the final rule. These CoPs which are based on criteria prescribed in law and are standards designed to ensure that each facility has properly trained staff to provide the appropriate safe physical environment for patients. These particular standards reflect comparable standards developed by industry organizations such as the Joint Commission. The primary users of this information will be State agency surveyors, CMS and CMHCs for the purpose of ensuring compliance with Medicare CoPs as well as ensuring the quality of care provided by CMHCs to patients. *Form Number:* CMS–10506 (OCN: 0938–NEW); *Frequency:* Occasionally; *Affected Public:* Private sector—Business or other for-profits and Not-for-profit organizations; *Number of Respondents:* 130; *Total Annual Responses:* 79,530; *Total Annual Hours:* 2,060,342. (For policy questions regarding this collection contact Mary Rossi-Coajou at 410–786–6051.)

Dated: March 5, 2014.

**Martique Jones,**

*Deputy Director, Regulations Development Group, Office of Strategic Operations and Regulatory Affairs.*

[FR Doc. 2014–05104 Filed 3–7–14; 8:45 am]

**BILLING CODE 4120–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. FDA–2013–P–0768]**

### Determination That ZEFAZONE (Cefmetazole Sodium) Injection, Equivalent to 1 Gram Base/Vial and Equivalent to 2 Gram Base/Vial, and ZEFAZONE (Cefmetazole Sodium) Intravenous Solution, Equivalent to 20 Milligrams Base/Milliliter and Equivalent to 40 Milligrams Base/Milliliter, Were Not Withdrawn From Sale for Reasons of Safety or Effectiveness

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) has determined that ZEFAZONE (cefmetazole sodium) Injection, equivalent to (EQ) 1 gram (g) base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) Intravenous (IV) Solution, EQ 20 milligrams (mg) base/milliliter (mL) and EQ 40 mg base/mL, were not withdrawn from sale for reasons of safety or effectiveness. This determination will allow FDA to approve abbreviated new drug applications (ANDAs) for ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and 40 mg base/mL, if all other legal and regulatory requirements are met.

**FOR FURTHER INFORMATION CONTACT:** Kathy Schreier, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6246, Silver Spring, MD 20993–0002, 301–796–3432.

**SUPPLEMENTARY INFORMATION:** In 1984, Congress enacted the Drug Price Competition and Patent Term Restoration Act of 1984 (Pub. L. 98–417) (the 1984 amendments), which authorized the approval of duplicate versions of drug products under an ANDA procedure. ANDA applicants must, with certain exceptions, show that the drug for which they are seeking approval contains the same active ingredient in the same strength and dosage form as the ''listed drug,'' which is a version of the drug that was previously approved. ANDA applicants do not have to repeat the extensive clinical testing otherwise necessary to gain approval of a new drug application (NDA).

The 1984 amendments include what is now section 505(j)(7) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(j)(7)), which requires FDA to publish a list of all approved drugs. FDA publishes this list as part of the ''Approved Drug Products With Therapeutic Equivalence Evaluations,'' which is known generally as the Orange Book. Under FDA regulations, drugs are removed from the list if the Agency withdraws or suspends approval of the drug's NDA or ANDA for reasons of safety or effectiveness or if FDA determines that the listed drug was withdrawn from sale for reasons of safety or effectiveness (21 CFR 314.162).

A person may petition the Agency to determine, or the Agency may determine on its own initiative, whether a listed drug was withdrawn from sale for reasons of safety or effectiveness. This determination may be made at any time after the drug has been withdrawn from sale, but must be made prior to approving an ANDA that refers to the listed drug (§ 314.161 (21 CFR 314.161)). FDA may not approve an ANDA that does not refer to a listed drug.

ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, is the subject of NDA 50–637, held by Pharmacia & Upjohn, Inc., which was initially approved on December 11, 1989; and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, is the subject of NDA 50–683, held by Pharmacia & Upjohn, Inc., which was initially approved on December 29, 1992. ZEFAZONE is a semisynthetic cephem antibiotic that is indicated for treatment of urinary tract infections, lower respiratory tract infections, skin and skin structure infections, and intra-abdominal infections.

In a letter dated August 1, 2000, Pharmacia & Upjohn, Inc., notified FDA that ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, were no longer being marketed and requested withdrawal of NDA 50–637 and NDA 50–683. FDA moved the drug products to the ''Discontinued Drug Product List'' section of the Orange Book and, in the **Federal Register** of August 16, 2001 (66 FR 43017), announced that it was withdrawing approval of NDA 50–637 and NDA 50–683 effective September 17, 2001.

Salus Pharma LLC submitted a citizen petition dated June 17, 2013 (Docket No. FDA–2013–P–0768), under 21 CFR 10.30, requesting that the Agency determine whether ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, was withdrawn from sale for reasons of safety or effectiveness. Although the citizen petition did not request that we determine whether ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, approved under NDA 50–683, was withdrawn for safety or effectiveness, that product also has been discontinued. On our own initiative, we have also determined whether ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, was withdrawn for reasons of safety or effectiveness.

After considering the citizen petition and reviewing Agency records and based on the information we have at this time, FDA has determined under § 314.161 that ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, were not withdrawn for reasons of safety or effectiveness. The petitioner has identified no data or other information suggesting that ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, were withdrawn for reasons of safety or effectiveness. We have carefully reviewed our files for records concerning the withdrawal of ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, from sale. We have also independently evaluated relevant literature and data for possible postmarketing adverse events. We have found no information that would indicate that these products were withdrawn from sale for reasons of safety or effectiveness.

Accordingly, the Agency will continue to list ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, in the ''Discontinued Drug Product List'' section of the Orange Book. The ''Discontinued Drug Product List'' delineates, among other items, drug products that have been discontinued from marketing for reasons

other than safety or effectiveness. ANDAs that refer to ZEFAZONE (cefmetazole sodium) Injection, EQ 1 g base/vial and EQ 2 g base/vial, and ZEFAZONE (cefmetazole sodium) IV Solution, EQ 20 mg base/mL and EQ 40 mg base/mL, may be approved by the Agency as long as they meet all other legal and regulatory requirements for the approval of ANDAs. If FDA determines that labeling for these drug products should be revised to meet current standards, the Agency will advise ANDA applicants to submit such labeling.

Dated: March 4, 2014.

**Leslie Kux,**

*Assistant Commissioner for Policy.*

[FR Doc. 2014–05059 Filed 3–7–14; 8:45 am]

**BILLING CODE 4160–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. FDA–2014–N–0198]**

### Xanodyne Pharmaceuticals, Inc., et al.; Withdrawal of Approval of 8 New Drug Applications and 46 Abbreviated New Drug Applications for Propoxyphene Products

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is withdrawing approval of 8 new drug applications (NDAs) and 46 abbreviated new drug applications (ANDAs) for prescription pain medications containing propoxyphene. The holders of these applications have agreed in writing to permit FDA to withdraw approval of the applications and have waived their opportunity for a hearing.

**DATES:** Effective March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** David Joy, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6254, Silver Spring, MD 20993–0002, 301–796–3601.

**SUPPLEMENTARY INFORMATION:**

Propoxyphene is an opioid pain relief medication marketed under brand names such as Darvon and Darvocet. In 1957, FDA approved NDAs 010996 and 010997 for propoxyphene hydrochloride (HCl), alone and in combination with other active ingredients, both of which are currently held by Xanodyne Pharmaceuticals, Inc. (Xanodyne).

In 2010, after receiving new clinical data showing that when propoxyphene is taken at therapeutic doses, the drug puts patients at risk of potentially serious or even fatal heart rhythm abnormalities, and other information including new epidemiological data, FDA concluded that the risks of propoxyphene outweigh its benefits as a pain reliever. In separate telephone conversations on November 18, 2010, FDA asked Xanodyne and the holders of marketed generic propoxyphene drug products to permit FDA to withdraw approval of their applications and to waive their opportunity for a hearing. In a separate notice published elsewhere in this issue of the **Federal Register**, FDA notifies other holders of ANDAs for pain medications containing propoxyphene of their opportunity to request a hearing if they wish to challenge the Agency's proposal to withdraw approval of their applications.

Xanodyne and manufacturers of generic propoxyphene products identified in table 1 have written to FDA asking the Agency to withdraw approval of their applications for propoxyphene-containing products and have waived their opportunity for a hearing. Some products approved under the applications identified in table 1 were discontinued in the past, before FDA's November 2010 determination that the risks of propoxyphene outweigh its benefits. Not included in table 1 are NDAs and ANDAs for which **Federal Register** notices were previously published announcing withdrawal of approval.

TABLE 1—PROPOXYPHENE DRUG PRODUCTS FOR WHICH APPLICATION HOLDERS REQUESTED WITHDRAWAL OF APPROVAL

| Application No. | Drug | Applicant or holder |
|---|---|---|
| NDA 010996 | Darvon Compound (aspirin, caffeine, and propoxyphene HCl) Capsules, 389 milligrams (mg)/32.4 mg/32 mg.<br>Darvon Compound-65 (aspirin, caffeine, and propoxyphene HCl) Capsules, 389 mg/32.4 mg/65 mg.<br>Darvon with ASA (aspirin and propoxyphene HCl) Capsules, 325 mg/65 mg. | Xanodyne Pharmaceuticals, Inc., One Riverfront Pl., Newport, KY 41071. |
| NDA 010997 | Darvon (propoxyphene HCl) Capsules, 32 mg and 65 mg | Do. |
| NDA 016829 | Darvon-N with ASA (aspirin and propoxyphene napsylate) Capsules, 325 mg/100 mg. | AAIPharma Inc., 2320 Scientific Park Dr., Wilmington, NC 28405. |
| NDA 016844 | Darvocet (acetaminophen and propoxyphene HCl) Tablets, 325 mg/32.5 mg. | Do. |
| NDA 016861 | Darvon-N (propoxyphene napsylate) Suspension, 50 mg/5 milliliters. | Do. |
| NDA 016862 | Darvon-N (propoxyphene napsylate) Tablets, 100 mg | Do. |
| NDA 016863 | Darvon-N with ASA (aspirin and propoxyphene napsylate) Tablets, 325 mg/100 mg. | Do. |
| NDA 017122 | Darvocet-N 50 (acetaminophen and propoxyphene napsylate) Tablets, 325 mg/50 mg.<br>Darvocet-N 100 (acetaminophen and propoxyphene napsylate) Tablets, 650 mg/100 mg. | Xanodyne Pharmaceuticals, Inc. |
| ANDA 040139 | Acetaminophen and Propoxyphene HCl Tablets, 650 mg/65 mg. | Watson Laboratories, Inc., 400 Interpace Pkwy., Parsippany, NJ 07054. |
| ANDA 040507 | Acetaminophen and Propoxyphene HCl Tablets, 650 mg/65 mg. | Vintage Pharmaceuticals, 150 Vintage Dr., Huntsville, AL 35811. |
| ANDA 040569 | Propoxyphene HCl Capsules, 65 mg | Mylan Pharmaceuticals, 781 Chestnut Ridge Rd., Morgantown, WV 26505. |
| ANDA 040908 | Propoxyphene HCl Capsules, 65 mg | Vintage Pharmaceuticals. |
| ANDA 070115 | Acetaminophen and Propoxyphene Napsylate Tablets, 325 mg/50 mg. | Mutual Pharmaceutical Co., Inc., 1100 Orthodox St., Philadelphia, PA 19124. |
| ANDA 070116 | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Do. |

TABLE 1—PROPOXYPHENE DRUG PRODUCTS FOR WHICH APPLICATION HOLDERS REQUESTED WITHDRAWAL OF APPROVAL—Continued

| Application No. | Drug | Applicant or holder |
|---|---|---|
| ANDA 070145 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Mylan Pharmaceuticals. |
| ANDA 070146 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | IVAX Pharmaceuticals, Subsidiary of Teva Pharmaceuticals USA, 400 Chestnut Ridge Rd., Woodcliff Lake, NJ 07677. |
| ANDA 070443 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Sandoz Inc., 2555 W. Midway Blvd., Broomfield, CO 80038. |
| ANDA 070615 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Mutual Pharmaceutical Co., Inc. |
| ANDA 070771 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Do. |
| ANDA 070775 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Do. |
| ANDA 070910 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Actavis Elizabeth LLC, 200 Elmora Ave., Elizabeth, NJ 07202. |
| ANDA 072195 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Mylan Pharmaceuticals. |
| ANDA 074119 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Teva Pharmaceuticals, 1090 Horsham Rd., North Wales, PA 19454. |
| ANDA 074843 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 325 mg/50 mg and 650 mg/100 mg. | Vintage Pharmaceuticals. |
| ANDA 075738 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Mallinckrodt Inc., 675 McDonnell Blvd., Hazelwood, MO 63042. |
| ANDA 076429 ..... | Darvocet A500 (acetaminophen and propoxyphene napsylate) Tablets, 500 mg/100 mg. | Xanodyne Pharmaceuticals, Inc. |
| ANDA 076609 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 650 mg/100 mg. | Watson Laboratories, Inc., 4955 Orange Dr., Fort Lauderdale, FL 33314. |
| ANDA 076743 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 325 mg/100 mg. | Cornerstone Therapeutics Inc., 1255 Crescent Green Dr., Cary, NC 27518. |
| ANDA 076750 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 500 mg/100 mg. | Do. |
| ANDA 077196 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 500 mg/100 mg. | Watson Laboratories, Inc. |
| ANDA 077677 ..... | Acetaminophen and Propoxyphene Napsylate Tablets, 325 mg/50 mg and 650 mg/100 mg. | Wockhardt USA LLC, 20 Waterview Blvd., Parsippany, NJ 07054. |
| ANDA 077821 ..... | Acetaminophen and Propoxyphene Napsylate Tablets 650 mg/100 mg. | Mirror Pharmaceuticals LLC, 140 New Dutch Ln., Fairfield, NJ 07004. |
| ANDA 080044 ..... | Aspirin, Caffeine, and Propoxyphene HCl Capsules, 389 mg/32.4 mg/65 mg. | Sandoz, Inc., 4700 Sandoz Dr., Wilson, NC 27893. |
| ANDA 080269 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Par Pharmaceuticals, Inc., 1 Ram Ridge Rd., Spring Valley, NJ 10977. |
| ANDA 080530 ..... | Dolene (propoxyphene HCl) Capsules, 65 mg ..... | Heritage Pharmaceuticals Inc., 105 Fieldcrest Ave., Edison, NJ 08837. |
| ANDA 080783 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Valeant Pharmaceuticals North America LLC, 700 Route 202/206 North, Bridgewater, NJ 08807. |
| ANDA 083101 ..... | Aspirin, Caffeine, and Propoxyphene HCl Capsules, 389 mg/32.4 mg/65 mg. | Sandoz, Inc., 2555 W. Midway Blvd., Broomfield, CO 80038. |
| ANDA 083113 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Private Formulations Inc. |
| ANDA 083125 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Sandoz, Inc. |
| ANDA 083185 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Nexgen Pharma, Inc., 17802 Gillette Ave., Irvine, CA 92614. |
| ANDA 083186 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Mutual Pharmaceutical Co. Inc. |
| ANDA 083464 ..... | Propoxyphene HCl Capsules, 32 mg ..... | Private Formulations Inc. |
| ANDA 083501 ..... | Propoxyphene HCl Capsules, 65 mg ..... | West-Ward Pharmaceutical Corp., 435 Industrial Way West, Eatontown, NJ 07724. |
| ANDA 083528 ..... | Propoxyphene HCl Capsules, 32 mg ..... | Mylan Pharmaceuticals, 781 Chestnut Ridge Rd., Morgantown, WV 26505. |
| ANDA 083688 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Sandoz Inc., 506 Carnegie Center, Princeton, NJ 08540. |
| ANDA 083689 ..... | Acetaminophen and Propoxyphene HCl Tablets, 325 mg/32 mg. | Mylan Pharmaceuticals. |
| ANDA 083870 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Sandoz, Inc. |
| ANDA 083978 ..... | Acetaminophen and Propoxyphene HCl Tablets, 650 mg/65 mg. | Mylan Pharmaceuticals. |
| ANDA 084014 ..... | Propoxyphene HCl Capsules, 32 mg ..... | Sandoz, Inc., 4700 Sandoz Dr., Wilson, NC 27893. |
| ANDA 084999 ..... | Wygesic (acetaminophen and propoxyphene HCl) Tablets, 650 mg/65 mg. | Caraco Pharmaceutical Laboratories, Ltd., 1150 Elijah McCoy Dr., Detroit, MI 48202. |
| ANDA 086495 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Sandoz, Inc. |
| ANDA 088615 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Teva Pharmaceuticals. |
| ANDA 089025 ..... | Aspirin, Caffeine, and Propoxyphene HCl Capsules, 389 mg/32.4 mg/65 mg. | Do. |

TABLE 1—PROPOXYPHENE DRUG PRODUCTS FOR WHICH APPLICATION HOLDERS REQUESTED WITHDRAWAL OF APPROVAL—Continued

| Application No. | Drug | Applicant or holder |
|---|---|---|
| ANDA 089959 ..... | Acetaminophen and Propoxyphene HCl Tablets, 650 mg/65 mg. | Sandoz Inc., 2555 W. Midway Blvd., Broomfield, CO 80038. |

Therefore, under sections 505(e) and 505(j)(6) of the Federal Food, Drug, and Cosmetic Act (the FD&C Act) (21 U.S.C. 355(e) and 355(j)(6)) and under authority delegated to the Director of the Center for Drug Evaluation and Research by the Commissioner of Food and Drugs, approval of the applications listed in table 1 and all amendments and supplements thereto, is withdrawn (see **DATES**). Introduction or delivery for introduction of these products into interstate commerce without an approved application is illegal and subject to regulatory action (see sections 505(a) and 301(d) of the FD&C Act (21 U.S.C. 355(a) and 331(d))).

Dated: March 4, 2014.

**Leslie Kux,**

*Assistant Commissioner for Policy.*

[FR Doc. 2014–05063 Filed 3–7–14; 8:45 am]

**BILLING CODE 4160–01–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

**[Docket No. FDA–2014–N–0199]**

### MK Laboratories, Inc., et al.; Proposal To Withdraw Approval of Three Abbreviated New Drug Applications for Propoxyphene Products; Opportunity for a Hearing

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration's (FDA) Center for Drug Evaluation and Research (CDER) is proposing to withdraw approval of three abbreviated new drug applications (ANDAs) for propoxyphene drug products from multiple sources and is announcing an opportunity for holders of those ANDAs to request a hearing on this proposal.

**DATES:** Submit written requests for a hearing by April 9, 2014; submit data and information in support of the hearing request by May 9, 2014.

**ADDRESSES:** Requests for a hearing, supporting data, and other comments are to be identified with Docket No. FDA–2014–N–0199 and submitted to the Division of Dockets Management, Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

**FOR FURTHER INFORMATION CONTACT:** David Joy, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 6254, Silver Spring, MD 20993–0002, 301–796–3601.

**SUPPLEMENTARY INFORMATION:**

Propoxyphene is an opioid pain relief medication first approved by FDA in 1957. It has been marketed as a single active ingredient drug product and in combination with other active ingredients such as acetaminophen. It has been marketed under brand names such as Darvon and Darvocet and in generic forms.

After receiving clinical data and other information showing that propoxyphene puts patients at risk of potentially serious and even fatal heart rhythm abnormalities, FDA determined that the risks of propoxyphene outweigh its benefits. On November 18, 2010, FDA asked Xanodyne Pharmaceuticals, Inc. (Xanodyne), the maker of Darvon and Darvocet, and manufacturers of then marketed generic propoxyphene drug products to voluntarily withdraw their products from the U.S. market. In a separate notice published elsewhere in this issue of the **Federal Register**, FDA is withdrawing approval of 8 NDAs and 46 ANDAs from multiple sources, whose application holders have agreed in writing to permit FDA to withdraw approval of the applications and have waived their opportunity for a hearing.

Although the holders of the approved applications listed in Table 1 are believed to have discontinued marketing these products prior to November 2010, FDA has not received correspondence from these application holders requesting that the Agency withdraw approval of the identified applications. Hence, in accordance with section 505(e) of the Federal Food, Drug, and Cosmetic Act (FD&C Act) (21 U.S.C. 355(e)), we hereby notify the application holders listed in Table 1 of their opportunity to request a hearing on CDER's proposal to withdraw approval of the listed applications.

TABLE 1—PROPOXYPHENE DRUG PRODUCT APPLICATIONS FOR WHICH FDA PROPOSES TO WITHDRAW APPROVAL

| Application No. | Drug | Applicant or holder |
|---|---|---|
| ANDA 083544 ..... | Kesso-Gesic (propoxyphene hydrochloride (HCl)) Capsules, 65 milligrams (mg). | MK Laboratories Inc., 424 Grasmere Ave., Fairfield, CT 06430. |
| ANDA 084551 ..... | Propoxyphene HCl Capsules, 65 mg ..... | Whiteworth Towne Paulsen Inc. |
| ANDA 084553 ..... | Compound 65 (aspirin, caffeine, and propoxyphene HCl) Capsules, 389 mg/32.4 mg/65 mg. | Alra Labs, 3850 Clearview Ct., Gurnee, IL 60031. |

### I. Safety Concern

NDAs 010996 and 010997 for propoxyphene HCl alone and in combination with aspirin and caffeine, both held by Xanodyne, were initially approved in 1957 solely on the basis of safety. The 1962 amendments to the FD&C Act required that drugs be shown to be effective as well as safe. To implement the 1962 amendments, FDA initiated the Drug Efficacy Study Implementation (DESI) review to evaluate the effectiveness of drugs that had been previously approved on safety grounds alone. In its DESI review of propoxyphene HCl; propoxyphene HCl with aspirin; and propoxyphene HCl with aspirin, phenacetin, and caffeine, FDA concluded that these drugs were effective for the relief of mild to moderate pain (34 FR 6264, April 8, 1969).

In January 2009, FDA held a joint meeting of the Anesthetic and Life Support Drugs Advisory Committee and the Drug Safety and Risk Management Advisory Committee to address the safety and efficacy of propoxyphene and propoxyphene combination products for the treatment of mild to moderate pain. The committee members voted 14 to 12 against the continued marketing of propoxyphene products but noted that additional information about the drug's cardiac effects would be relevant in weighing its risks and benefits. Using authority under the Food and Drug Administration Amendments Act of 2007 (Pub. L. 110–85), FDA required Xanodyne to conduct a safety study of the effects of propoxyphene on the heart at higher than recommended doses.

Before proceeding with the cardiac safety study, the company first conducted a study on healthy volunteers to determine an appropriate dose. In this study, the healthy volunteers in one group were given a total daily dose of 600 mg of propoxyphene (the maximum approved dose), and volunteers in the second group were given a total daily dose of 900 mg (a dose higher than recommended in product labeling). The results showed that there were significant changes to the electrical activity of the heart (prolonged PR interval, widened QRS complex, and prolonged QT interval), at both the 600 and 900 mg doses. These changes, which can be seen on an electrocardiogram, can increase the risk for serious abnormal heart rhythms. In light of these new scientific findings, CDER determined the postmarketing safety signals for this drug have taken on new importance, and the overall balance of risk and benefit can no longer be considered favorable. Memoranda explaining CDER's determination are available on FDA's Web site and will be placed in Docket No. FDA–2014–N–0199 (Refs. 1 and 2).

On November 19, 2010, FDA issued a Drug Safety Communication recommending against the continued prescription and use of propoxyphene drug products. This recommendation was based on all available data, including the new data showing that when propoxyphene is taken at therapeutic doses, it can cause significant changes to the electrical activity of the heart. FDA has concluded that this safety risk outweighs propoxyphene's benefits for pain relief at recommended doses. Based on this information, FDA asked the manufacturers of currently marketed propoxyphene products to voluntarily remove their products from the market.

Therefore, based on all available data, notice is given to the holders of the approved applications listed in Table 1 and to all other interested persons that the Director of CDER proposes to issue an order, under section 505(e) of the FD&C Act, withdrawing approval of the applications, amendments, and supplements upon the grounds that scientific data show the listed drugs are unsafe under the conditions of use for which they were approved.

## II. Hearing Procedures

In accordance with section 505(e) of the FD&C Act, the applicants are hereby provided an opportunity to request a hearing to show why approval of the applications listed in Table 1 should not be withdrawn and an opportunity to raise, for administrative determination, all issues relating to the legal status of the drug products covered by these applications.

An applicant who decides to seek a hearing must file the following: (1) A written notice of participation and request for hearing (see **DATES**) and (2) the data, information, and analyses relied on to demonstrate that there is a genuine and substantial issue of fact that requires a hearing to resolve (see **DATES**). Any other interested person may also submit comments on this notice. The procedures and requirements governing this notice of opportunity for a hearing, notice of participation and request for a hearing, the information and analyses to justify a hearing, other comments, and a grant or denial of a hearing are contained in § 314.200 (21 CFR 314.200) and in 21 CFR part 12.

The failure of an applicant to file a timely written notice of participation and request for a hearing, as required by § 314.200, constitutes an election by that applicant not to avail itself of the opportunity for a hearing concerning CDER's proposal to withdraw approval of the applications and constitutes a waiver of any contentions concerning the legal status of the drug products. FDA will then withdraw approval of the applications, and the drug products may not thereafter be lawfully introduced or delivered for introduction into interstate commerce. Any new drug product introduced or delivered for introduction into interstate commerce without an approved application is subject to regulatory action at any time.

A request for a hearing may not rest upon mere allegations or denials, but must present specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. If a request for a hearing is not complete or is not supported, the Commissioner of Food and Drugs will enter summary judgment against the person who requests the hearing, making findings and conclusions, and denying a hearing.

All submissions under this notice of opportunity for a hearing must be filed in four copies. Except for data and information prohibited from public disclosure under 21 U.S.C. 331(j) or 18 U.S.C. 1905, the submissions may be seen in the Division of Dockets Management (see **ADDRESSES**) between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov.*

This notice is issued under section 505(e) of the FD&C Act and under the authority delegated to the Director of CDER by the Commissioner of Food and Drugs.

## III. References

FDA has placed the following references on display in the Division of Dockets Management (see **ADDRESSES**). They may be seen by interested persons between 9 a.m. and 4 p.m., Monday through Friday, and are available electronically at *http://www.regulations.gov.*

1. Memorandum to Dr. Woodcock: Recommendation on a Regulatory Decision for Propoxyphene-Containing Products (November 18, 2010, Hertz and Avigan); *http://www.fda.gov/downloads/Drugs/DrugSafety/PostmarketDrugSafetyInformationforPatientsandProviders/UCM234349.pdf.*

2. Memorandum to Dr. Woodcock on Propoxyphene-Containing Products (November 18, 2010, Rappaport); *http://www.fda.gov/downloads/Drugs/DrugSafety/PostmarketDrugSafetyInformationforPatientsandProviders/UCM234340.pdf.*

Dated: March 4, 2014.

**Leslie Kux,**

*Assistant Commissioner for Policy.*

[FR Doc. 2014–05062 Filed 3–7–14; 8:45 am]

**BILLING CODE 4160–01–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 within 60 days of this notice.

**ADDRESSES:** Submit your comments to *paperwork@hrsa.gov* or mail the HRSA Information Collection Clearance Officer, Room 10–29, 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:* Data Collection Tool for Rural Health Community-Based Grant Programs

*OMB No.:* 0915–0319—Revision

*Abstract:* There are currently five rural health grant programs that operate under the authority of section 330A of the Public Health Service (PHS) Act. These programs include: (1) Rural Health Care Services Outreach Grant Program (Outreach); (2) Rural Health Network Development Grant Program (Network Development); (3) Small Healthcare Provider Quality Grant Program (Quality); (4) Delta States Rural Development Network Grant Program (Delta); and (5) Rural Health Network Development Planning Grant Program (Network Planning). These grants are to provide expanded delivery of health care services in rural areas, for the planning and implementation of integrated health care networks in rural areas, and for the planning and implementation of quality improvement and workforce activities. In general, the grants may be used to expand access, coordinate, and improve the quality of essential health care services and enhance the delivery of health care in rural areas.

*Need and Proposed Use of the Information:* For these programs, performance measures were drafted to provide data useful to the programs and to enable HRSA to provide aggregate program data required by Congress under the Government Performance and Results Act (GPRA) of 1993. These measures cover the principal topic areas of interest to ORHP, including: (a) Access to care; (b) the underinsured and uninsured; (c) workforce recruitment and retention; (d) sustainability; (e) health information technology; (f) network development; and (g) health related clinical measures. Several measures will be used for all six programs. All measures will speak to the ORHP's progress toward meeting the goals set.

*Likely Respondents:* Award recipients of the programs under the section 330A of the Public Health Service Act.

*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 Burden Hours:

| Form name | Number of respondents | Number of responses per respondent | Total responses | Average burden per response (in hours) | Total burden hours |
|---|---|---|---|---|---|
| Rural Health Care Services Outreach Grant Program Measures | 71 | 1 | 71 | 2 | 142 |
| Rural Health Network Development Grant Program Measures | 20 | 1 | 20 | 5 | 100 |
| Delta States Rural Development Network Grant Program | 12 | 1 | 12 | 6 | 72 |
| Small Health Care Provider Quality Improvement Grant Program | 30 | 2 | 60 | 10 | 600 |
| Rural Health Network Development Planning Grant Program Measures | 21 | 1 | 21 | 1 | 21 |
| Total | 154 | ..... | 184 | ..... | 935 |

*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.

Dated: February 28, 2014.

**Jackie Painter,**

*Deputy Director, Division of Policy and Information Coordination.*

[FR Doc. 2014–05137 Filed 3–7–14; 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 within 30 days of this notice.

**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:* Initial Assessment and Evaluation of the Public Health Training Center Programs.

*OMB No.:* 0915–xxxx—NEW.

*Abstract:* The Public Health Training Center (PHTC) Program provides support to help improve the public health workforce by strengthening the competence of the existing and future public health workforce and addressing public health workforce shortages. Grantees of the PHTC Program include accredited schools and programs of public health and other private and non-profit entities that are required to provide competency-based training and educational programs—based on the Core Competencies for Public Health Professionals, outlined by the Council on Linkages between Academia and Public Health—that support core public health functions and the Ten Essential Public Health Services.

*Need and Proposed Use of the Information:* The Bureau of Health Professions (BHPr) is currently evaluating the PHTC Program to assess how grantees are meeting the needs of the public health workforce, improving the public health workforce by strengthening the competence of the existing and future public health workforce, and addressing shortages of the public health workforce. The specific purpose of this data collection activity is to obtain information from individuals who participate in continuing education courses offered by PHTC grantees in order to gauge and monitor changes in participants' knowledge about public health related issues.

*Likely Respondents:* Participants of continuing education courses offered by PHTC grantees.

*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 |
|---|---|---|---|---|---|
| CE Survey Form | 1,569 | 1 | 1,569 | .16 | 251 |
| Total | 1,569 | 1 | 1,569 | .16 | 251 |

Dated: February 26, 2014.

**Jackie Painter,**

*Deputy Director, Division of Policy and Information Coordination.*

[FR Doc. 2014–05145 Filed 3–7–14; 8:45 am]

**BILLING CODE 4165–15–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Resources and Services Administration

### National Vaccine Injury Compensation Program; List of Petitions Received

**AGENCY:** Health Resources and Services Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Health Resources and Services Administration (HRSA) is publishing this notice of petitions received under the National Vaccine Injury Compensation Program (the Program), as required by Section 2112(b)(2) of the Public Health Service (PHS) Act, as amended. While the Secretary of Health and Human Services is named as the respondent in all proceedings brought by the filing of petitions for compensation under the Program, the United States Court of Federal Claims is charged by statute with responsibility for considering and acting upon the petitions.

**FOR FURTHER INFORMATION CONTACT:** For information about requirements for filing petitions, and the Program in general, contact the Clerk, United States Court of Federal Claims, 717 Madison Place NW., Washington, DC 20005, (202) 357–6400. For information on HRSA's role in the Program, contact the Director, National Vaccine Injury Compensation Program, 5600 Fishers Lane, Room 11C–26, Rockville, MD 20857; (301) 443–6593.

**SUPPLEMENTARY INFORMATION:** The Program provides a system of no-fault compensation for certain individuals who have been injured by specified childhood vaccines. Subtitle 2 of Title XXI of the PHS Act, 42 U.S.C. 300aa–10 *et seq.,* provides that those seeking compensation are to file a petition with the U.S. Court of Federal Claims and to serve a copy of the petition on the Secretary of Health and Human Services, who is named as the respondent in each proceeding. The Secretary has delegated this responsibility under the Program to HRSA. The Court is directed by statute to appoint special masters who take evidence, conduct hearings as appropriate, and make initial decisions as to eligibility for, and amount of, compensation.

A petition may be filed with respect to injuries, disabilities, illnesses, conditions, and deaths resulting from vaccines described in the Vaccine Injury Table (the Table) set forth at Section 2114 of the PHS Act or as set forth at

42 CFR 100.3, as applicable. This Table lists for each covered childhood vaccine the conditions which may lead to compensation and, for each condition, the time period for occurrence of the first symptom or manifestation of onset or of significant aggravation after vaccine administration. Compensation may also be awarded for conditions not listed in the Table and for conditions that are manifested outside the time periods specified in the Table, but only if the petitioner shows that the condition was caused by one of the listed vaccines.

Section 2112(b)(2) of the PHS Act, 42 U.S.C. 300aa–12(b)(2), requires that ''[w]ithin 30 days after the Secretary receives service of any petition filed under section 2111 the Secretary shall publish notice of such petition in the **Federal Register**.'' Set forth below is a list of petitions received by HRSA on January 1, 2014, through January 31, 2014. This list provides the name of petitioner, city and state of vaccination (if unknown then city and state of person or attorney filing claim), and case number. In cases where the Court has redacted the name of a petitioner and/or the case number, the list reflects such redaction.

Section 2112(b)(2) also provides that the special master ''shall afford all interested persons an opportunity to submit relevant, written information'' relating to the following:

1. The existence of evidence ''that there is not a preponderance of the evidence that the illness, disability, injury, condition, or death described in the petition is due to factors unrelated to the administration of the vaccine described in the petition,'' and

2. Any allegation in a petition that the petitioner either:

(a) ''Sustained, or had significantly aggravated, any illness, disability, injury, or condition not set forth in the Vaccine Injury Table but which was caused by'' one of the vaccines referred to in the Table, or

(b) ''Sustained, or had significantly aggravated, any illness, disability, injury, or condition set forth in the Vaccine Injury Table the first symptom or manifestation of the onset or significant aggravation of which did not occur within the time period set forth in the Table but which was caused by a vaccine'' referred to in the Table.

In accordance with Section 2112(b)(2), all interested persons may submit written information relevant to the issues described above in the case of the petitions listed below. Any person choosing to do so should file an original and three (3) copies of the information with the Clerk of the U.S. Court of Federal Claims at the address listed above (under the heading **FOR FURTHER INFORMATION CONTACT**), with a copy to HRSA addressed to Director, Division of Vaccine Injury Compensation Program, Healthcare Systems Bureau, 5600 Fishers Lane, Room 11C–26, Rockville, MD 20857. The Court's caption (Petitioner's Name v. Secretary of Health and Human Services) and the docket number assigned to the petition should be used as the caption for the written submission. Chapter 35 of title 44, United States Code, related to paperwork reduction, does not apply to information required for purposes of carrying out the Program.

Dated: February 27, 2014.

**Mary K. Wakefield,**

*Administrator.*

**List of Petitions Filed**

1. Laura Bush, Pennsauken, New Jersey, Court of Federal Claims No: 14–0001V.
2. Michelle and Michael Renaud on behalf of L.R., San Juan, New Mexico, Court of Federal Claims No: 14–0004V.
3. Joann Keown, Marietta, Georgia, Court of Federal Claims No: 14–0011V.
4. Melvin McGinnis, Phenix City, Alabama, Court of Federal Claims No: 14–0015V.
5. Chesley and Daun Garrett on behalf of L.G., Big Spring, Texas, Court of Federal Claims No: 14–0016V.
6. Chesley and Daun Garrett on behalf of K.G., Big Spring, Texas, Court of Federal Claims No: 14–0017V.
7. Kim Eileen Rich, Simi Valley, California, Court of Federal Claims No: 14–0019V.
8. Richard Sewell, Baraboo, Wisconsin, Court of Federal Claims No: 14–0023V.
9. Margaret J. Constable, Bend, Oregon, Court of Federal Claims No: 14–0024V.
10. Grace and Damian Bodden on behalf of Brandon Bodden, West Palm Beach, Florida, Court of Federal Claims No: 14–0025V.
11. Jeannie Uetz, Redmond, Oregon, Court of Federal Claims No: 14–0029V.
12. John Monteith, Phoenix, Arizona, Court of Federal Claims No: 14–0030V.
13. Anthony Ragusa, Normal, Illinois, Court of Federal Claims No: 14–0032V.
14. Joan Karl, Providence, Rhode Island, Court of Federal Claims No: 14–0036V.
15. James Heyward, Washington, District of Columbia, Court of Federal Claims No: 14–0041V.
16. Caylee Harrington, Marblehead, Massachusetts, Court of Federal Claims No: 14–0043V.
17. Helen Lam, Chicago, Illinois, Court of Federal Claims No: 14–0046V.
18. Elmer Graham on behalf of G.G.G., Deceased, Des Arc, Arkansas, Court of Federal Claims No: 14–0048V.
19. Latonya Brooks, Chicago, Illinois, Court of Federal Claims No: 14–0049V.
20. Kelly R. Dyer on behalf of Emma Dyer, Linwood, New Jersey, Court of Federal Claims No: 14–0050V.
21. Bruce Barrett, Smithtown, New York, Court of Federal Claims No: 14–0051V.
22. Jasmine Sabet, Providence, Rhode Island, Court of Federal Claims No: 14–0052V.
23. Laura Casa, Boynton Beach, Florida, Court of Federal Claims No: 14–0054V.
24. Meghan Hepler, Wyndmoor, Pennsylvania, Court of Federal Claims No: 14–0055V.
25. Samuel Hussey, Kailua-Kona, Hawaii, Court of Federal Claims No: 14–0056V.
26. Corey Velk, Cincinnati, Ohio, Court of Federal Claims No: 14–0059V.
27. Sean Newman, Doylestown, Pennsylvania, Court of Federal Claims No: 14–0063V.
28. Karen Johnson, Memphis, Tennessee, Court of Federal Claims No: 14–0064V.
29. Heidi Sharpe on behalf of L.M., Lewistown, Montana, Court of Federal Claims No: 14–0065V.
30. Jody Radis, Boston, Massachusetts, Court of Federal Claims No: 14–0068V.
31. Frances Patterson on behalf of Brian Patterson, Deceased, Norwich, Connecticut, Court of Federal Claims No: 14–0069V.
32. Dawn Nelson, Boston, Massachusetts, Court of Federal Claims No: 14–0070V.
33. Michelle A. Jackson on behalf of Charles R. Jackson, Deceased, Boston, Massachusetts, Court of Federal Claims No: 14–0071V.
34. Kara and Todd Bilodeau on behalf of E.B., Winthrop, Maine, Court of Federal Claims No: 14–0072V.
35. Thomas Hopkins, Scottsdale, Arizona, Court of Federal Claims No: 14–0073V.
36. Barbara Riffle, Belle Vernon, Pennsylvania, Court of Federal Claims No: 14–0074V.
37. Joseph Paulowsky, Hamilton, New Jersey, Court of Federal Claims No: 14–0077V.
38. Christina E. Pope on behalf of B.P., Wilmington, North Carolina, Court of Federal Claims No: 14–0078V.

39. Donna Summer, Clinton, South Carolina, Court of Federal Claims No: 14–0079V.
40. Michael Terenzio on behalf of Z.F.T., Shelton, Connecticut, Court of Federal Claims No: 14–0081V.
41. Lauris Carlson, Richmond, Virginia, Court of Federal Claims No: 14–0082V.
42. Ruben Castillo, Hialeah, Florida, Court of Federal Claims No: 14–0083V.
43. Gwen Jasmin on behalf of David Richard Jasmin, III, Phoenix, Arizona, Court of Federal Claims No: 14–0086V.
44. Gail Ross and Catherine McDowell on behalf of M.R., Boston, Massachusetts, Court of Federal Claims No: 14–0090V.

[FR Doc. 2014–05132 Filed 3–7–14; 8:45 am]

**BILLING CODE 4165–15–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Resources and Services Administration

### Council on Graduate Medical Education; Request for Nominations

**AGENCY:** Health Resources and Services Administration (HRSA), HHS.

**ACTION:** Notice.

**SUMMARY:** The Health Resources and Services Administration (HRSA) is requesting nominations to fill eight vacancies on the Council on Graduate Medical Education (COGME).

**DATES:** Nominations for COGME must be submitted by March 31, 2014.

**ADDRESSES:** All nominations should be submitted by email to Shane Rogers, Designated Federal Official, at *srogers@hrsa.gov,* or mailed to: Shane Rogers, COGME, Bureau of Health Professions, HRSA, 5600 Fishers Lane, Room 9A–27, Rockville, Maryland 20857, no later than March 31, 2014.

**FOR FURTHER INFORMATION CONTACT:** Shane Rogers, Designated Federal Official, COGME, Bureau of Health Professions, HRSA, 5600 Fishers Lane, Room 9A–27, Rockville, Maryland 20857, *srogers@hrsa.gov,* (301) 443–5260.

**SUPPLEMENTARY INFORMATION:** A copy of the current council membership, charter, reports, and other publications can be obtained by accessing the COGME Web site at: *http://www.hrsa.gov/advisorycommittees/bhpradvisory/cogme/index.html.*

The COGME is governed by the Federal Advisory Committee Act, Public Law 92–463 (5 U.S.C. App. 2), as amended, which sets forth the standards for the formation and use of advisory committees. The COGME provides advice and recommendations to the Secretary of the Department of Health and Human Services and to Congress on a range of issues including the supply and distribution of physicians in the United States; current and future shortages or excesses of physicians in medical and surgical specialties and subspecialties; issues relating to foreign medical school graduates; the nature and financing of medical education training; deficiencies in, and needs for improvements in, existing data bases concerning the supply and distribution of, and postgraduate training programs for, physicians in the United States and steps that should be taken to eliminate those deficiencies; and the development of performance measures and longitudinal evaluation of medical education programs. HRSA seeks to have a broad geographic representation of members, a balance between urban and rural members and members from diverse backgrounds, including individuals with disabilities and veterans.

Under the authorities that established the COGME and the Federal Advisory Committee Act, HRSA is seeking nominees with the qualifications to represent the following categories: Practicing Primary Care Physicians, Specialty Physician Organizations, Foreign Medical Graduates, Medical Student Associations, Schools of Osteopathic Medicine, Private Teaching Hospitals, and Business and Health Insurers.

Interested persons and organizations may nominate one or more qualified persons for membership. Self-nominations are accepted. Please furnish each nominee's curriculum vitae (CV) and a completed COGME Applicant Information Form, which can be found on the COGME Web site at: *http://www.hrsa.gov/advisorycommittees/bhpradvisory/cogme/index.html* or obtained by contacting Mr. Shane Rogers at *srogers@hrsa.gov* or (301) 443–5260. Personal letters of interest from the nominees are optional.

Selected candidates will be asked to provide detailed information concerning such matters as financial holdings, consultancies, research grants, and/or contracts to permit an evaluation of possible sources of conflicts of interest. Members will receive a stipend for each official meeting day of the Council, as well as per diem, and travel expenses as authorized by section 5 U.S.C. 5703 for persons employed intermittently in government service. Appointments shall be made without discrimination on the basis of age, ethnicity, gender, sexual orientation, and cultural, religious, socioeconomic, or disability status. Selected candidates will be invited to serve a term of no less than 4 years.

Dated: February 27, 2014.

**Jackie Painter,**

*Deputy Director, Division of Policy and Information Coordination.*

[FR Doc. 2014–05135 Filed 3–7–14; 8:45 am]

**BILLING CODE 4165–15–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Resources and Services Administration

### Advisory Council on Blood Stem Cell Transplantation; Request for Nominations for Voting Members

**AGENCY:** Health Resources and Services Administration (HRSA), HHS.

**ACTION:** Notice.

**SUMMARY:** The Health Resources and Services Administration (HRSA) is requesting nominations of qualified candidates to fill expected vacancies on the Advisory Council on Blood Stem Cell Transplantation (ACBSCT).

The ACBSCT was established pursuant to Public Law 109–129 as amended by Public Law 111–264; 42 U.S.C. 274k; Section 379 of the Public Health Service Act. In accordance with Public Law 92–463, the ACBSCT was chartered on December 19, 2006.

**DATES:** The agency will receive nominations on a continuous basis.

**ADDRESSES:** Nominations should be submitted to the Executive Secretary, ACBSCT, Healthcare Systems Bureau, HRSA, Parklawn Building, Room 12C–06, 5600 Fishers Lane, Rockville, MD 20857. Federal Express, Airborne, or UPS mail delivery should be addressed to the Executive Secretary, ACBSCT, Healthcare Systems Bureau, HRSA, at the above address. Nominations submitted electronically should be emailed to *PStroup@hrsa.gov* and *PTongele@hrsa.gov.*

**FOR FURTHER INFORMATION CONTACT:** Patricia A. Stroup, M.B.A., M.P.A., Executive Secretary, ACBSCT, at (301) 443–1127 or email *PStroup@hrsa.gov.*

**SUPPLEMENTARY INFORMATION:** The Council was established to implement a statutory requirement of the Stem Cell Therapeutic and Research Act of 2005 (Pub. L. 109–129). The Council is governed by the Federal Advisory Committee Act, as amended (5 U.S.C.

Appendix 2), which sets forth standards for the formation and use of advisory committees.

The ACBSCT advises the Secretary and the Administrator, HRSA, on matters related to the activities of the C.W. Bill Young Cell Transplantation Program and the National Cord Blood Inventory Program.

The ACBSCT shall, as requested by the Secretary, discuss and make recommendations regarding the C.W. Bill Young Cell Transplantation Program (Program). It shall provide a consolidated, comprehensive source of expert, unbiased analysis and recommendations to the Secretary on the latest advances in the science of blood stem cell transplantation. The ACBSCT shall advise, assist, consult, and make recommendations at the request of the Secretary, on broad Program policy in areas such as the necessary size and composition of the adult donor pool available through the Program and the composition of the National Cord Blood Inventory; requirements regarding informed consent for cord blood donation; accreditation requirements for cord blood banks; the scientific factors that define a cord blood unit as high quality; public and professional education to encourage the ethical recruitment of genetically diverse donors and ethical donation practices; criteria for selecting the appropriate blood stem source for transplantation; Program priorities; research priorities; and the scope and design of the Stem Cell Therapeutic Outcomes Database. It also shall, at the request of the Secretary, review and advise on issues relating more broadly to the field of blood stem cell transplantation, such as regulatory policy pertaining to the compatibility of international regulations, and actions that may be taken by the state and federal governments and public and private insurers to increase donation and access to transplantation. The ACBSCT also shall make recommendations regarding research on emerging therapies using cells from bone marrow and cord blood.

The ACBSCT consists of up to 25 members, including the Chair. Members of the ACBSCT shall be chosen to ensure objectivity and balance, and reduce the potential for conflicts of interest. The Secretary shall establish bylaws and procedures to prohibit any member of the ACBSCT who has an employment, governance, or financial affiliation with a donor center, recruitment organization, transplant center, or cord blood bank from participating in any decision that materially affects the center, recruitment organization, transplant center, or cord blood bank; and to limit the number of members of the ACBSCT with any such affiliation.

The members and chair shall be selected by the Secretary from outstanding authorities and representatives of marrow donor centers and marrow transplant centers; representatives of cord blood banks and participating birthing hospitals; recipients of a bone marrow transplant; recipients of a cord blood transplant; persons who require such transplants; family members of such a recipient or family members of a patient who has requested the assistance of the Program in searching for an unrelated donor of bone marrow or cord blood; persons with expertise in bone marrow and cord blood transplantation; persons with expertise in typing, matching, and transplant outcome data analysis; persons with expertise in the social sciences; basic scientists with expertise in the biology of adult stem cells; ethicists; hematology and transfusion medicine researchers with expertise in adult blood stem cells; persons with expertise in cord blood processing; and members of the general public.

In addition, representatives from the HRSA's Division of Transplantation, the Department of Defense Marrow Recruitment and Research Program operated by the Department of the Navy, the Food and Drug Administration, the National Institutes of Health, the Centers for Medicare and Medicaid Services, and the Centers for Disease Control and Prevention serve as non-voting ex officio members.

Specifically, HRSA is requesting nominations for voting members of the ACBSCT in these categories: Marrow donor centers and transplant center representatives; cord blood banks and participating hospitals' representatives; recipients of cord blood transplant; family members of bone marrow transplant and cord blood transplant recipients or family members of a patient who has requested assistance by the Program in searching for an unrelated donor; persons with expertise in bone marrow or cord blood transplantation; persons with expertise in typing, matching, and transplant outcome data analysis; persons with expertise in social sciences; basic scientists with expertise in the biology of adult stem cells; researchers in hematology and transfusion medicine with expertise in adult blood stem cells; persons with expertise in cord blood processing; and members of the general public. Nominees will be invited to serve a 2- to 6-year term beginning the date of appointment.

HHS will consider nominations of all qualified individuals to ensure that the ACBSCT includes the areas of subject matter expertise noted above. Individuals may nominate themselves or other individuals, and professional associations and organizations may nominate one or more qualified persons for membership on the ACBSCT. Nominations shall state that the nominee is willing to serve as a member of the ACBSCT. Potential candidates will be asked to provide detailed information concerning financial interests, consultancies, research grants, and/or contracts that might be affected by recommendations of the ACBSCT to permit evaluation of possible sources of conflicts of interest. In addition, nominees will be asked to provide detailed information concerning any employment, governance, or financial affiliation with any donor centers, recruitment organizations, transplant centers, and/or cord blood banks.

A nomination package should be sent in as hard copy, email communication, or on compact disc. A nomination package should include the following information for each nominee: (1) A letter of nomination stating the name, affiliation, and contact information for the nominee, the basis for the nomination (i.e., what specific attributes recommend him/her for service in this capacity), and the nominee's field(s) of expertise; (2) a biographical sketch of the nominee and a copy of his/her curriculum vitae; and (3) the name, return address, email address, and daytime telephone number at which the nominator can be contacted.

HHS strives to ensure that the membership of HHS federal advisory committees is fairly balanced in terms of points of view represented and the committee's function. Every effort is made to ensure that the views of women, all ethnic and racial groups, and people with disabilities are represented on HHS Federal advisory committees. The Department also encourages geographic diversity in the composition of the committee. The Department encourages nominations of qualified candidates from all groups and locations. Appointment to the ACBSCT shall be made without discrimination on the basis of age, race, ethnicity, gender, sexual orientation, disability, and cultural, religious, or socioeconomic status.

Dated: February 28, 2014.

**Jackie Painter,**

*Deputy Director, Division of Policy and Information Coordination.*

[FR Doc. 2014–05147 Filed 3–7–14; 8:45 am]

**BILLING CODE 4165–15–P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

### Submission for OMB Review; 30-Day Comment Request Rapid Throughput Standardized Evaluation of Transmissible Risk for Substance Use Disorder in Youth

**SUMMARY:** Under the provisions of Section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the National Institutes of Health (NIH) has submitted to the Office of Management and Budget (OMB) a request for review and approval of the information collection listed below. This proposed information collection was previously published in the **Federal Register** on December 3, 2013, page 72682–72683 and allowed 60-days for public comment. No public comments were received. The purpose of this notice is to allow an additional 30 days for public comment. The National Institute Drug Abuse (NIDA), National Institutes of Health, may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

*Direct Comments to OMB:* Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the: Office of Management and Budget, Office of Regulatory Affairs, *OIRA_submission@omb.eop.gov* or by fax to 202–395–6974, Attention: NIH Desk Officer.

**DATES:** *Comment Due Date:* Comments regarding this information collection are best assured of having their full effect if received within 30-days of the date of this publication.

**FOR FURTHER INFORMATION CONTACT:** To obtain a copy of the data collection plans and instructions, contact Dr. Augie Diana, Health Scientist Administrator, Prevention Research Branch, Division of Epidemiology, Services, and Prevention Research, NIDA, NIH, 6001 Executive Boulevard, Room 5163, Bethesda, MD 20892, or call non-toll-free number (301) 443–1942 or Email your request, including your address to: *dianaa@nida.nih.gov*. Formal request for additional plans and instruments must be requested in writing.

*Proposed Collection:* Rapid Throughput Standardized Evaluation of Transmissible Risk for Substance Use Disorder in Youth, Reference No N44DA–12–5562, National Institute on Drug Abuse (NIDA), National Institutes of Health (NIH).

*Need and Use of Information Collection:* This study will finalize the development of the Transmissible Liability Index (TLI), thereby advancing the TLI from a research tool to a practical instrument. The TLI is a psychometric tool for detecting youth at elevated risk for substance use disorder (SUD). The TLI, a web-based platform for assessing risk of SUD, is a highly efficient tool both in terms of the limited time commitment required as well as its low cost. The inexpensive and high efficiency of the TLI for identifying youths in need of prevention, and the strong cost-benefits to society for SUD prevention, portend strong demand for use in a variety of populations including family and social services, schools, mental health facilities, and youth protection agencies. To transform the TLI prototype into a practical instrument, three core tasks remain: (1) Standardization on a sample (N = ~5,000) that is representative of the general population to generate norms that are specific to age, gender and ethnicity; (2) Construct validity analysis using standard parametric modeling techniques to show that heritability accounts for the major portion of variance on TLI scores; the sample (150 identical and 150 fraternal twins) will be representative of the same general population characteristics identified above; and (3) Psychometric analysis of validity and reliability based on the above data. Validating the TLI furthers NIDA's mission by legitimating the tool for exploring the attitudes and social predictors of addictive behaviors with the intention of reducing or eliminating drug-taking behavior. This research is squarely within NIDA's mission of research on drug abuse and addiction, as well as its focus on ensuring the rapid and effective dissemination and use of the results to significantly improve efforts to stem substance use disorder. To move the TLI from the research domain to practical use through commercial dissemination, the research and development team (''the R&D team'') needs to satisfy professional quality standards consistent with American Psychological Association regulations. To satisfy those standards, the R&D team must demonstrate the reliability and internal validity of the TLI against existing standardized psychometric studies for youth populations, ages 14 to 18. The 14-to-18 year old age range was selected because it encompasses the years typically spent in high school, which are known to be the timeframe when substance use is likely to begin and accelerates, often leading to substance abuse disorder. Notably, the peak period for the manifestation of cannabis-use disorder is age 18–19, and the past-year-prevalence for alcohol-use disorder is age 20–22. The TLI is designed to identify the propensity for these and other substance abuse prior to manifestation; as such, collecting data from the high school age group (14–18 years old) is critical to identifying at-risk youths for the purposes of early intervention. Thus, the TLI must be tested with data collected from youth populations, ages 14 to 18, comparable to those in existing studies. Moreover, the R&D team must provide psychometric external validation for the TLI through data collection from sets of identical and fraternal twins. Psychometric analyses are required to show that the TLI performs according to expectations. Accordingly, studies will be performed on the collected information to demonstrate (i) construct, (ii) discriminative, (iii) concurrent, and (iv) predictive validity.

OMB approval is requested for 2 years. There are no costs to respondents other than their time. The total estimated annualized burden hours are 3,083.

ESTIMATED ANNUALIZED BURDEN HOURS

| Type of respondent: individuals and households | Number of respondents | Responses per respondent | Average burden per response (in hours) | Annual hour burden |
|---|---|---|---|---|
| Parent of 14–17 year-old students: Consent Form | 5,000 | 1 | 1/60 | 83 |
| 14–18 year-old students: School Survey (TLI) | | 1 | 30/60 | 2,500 |
| 14–18 year-old youths or their parents: Consent Form | 600 | 1 | 1/60 | 10 |
| 14–18 year-old youths: Twins Survey (Demo/D&A) | | 1 | 10/60 | 100 |
| 14–18 year-old youths: Twins Survey (Dysregulation) | | 1 | 10/60 | 100 |

ESTIMATED ANNUALIZED BURDEN HOURS—Continued

| Type of respondent: individuals and households | Number of respondents | Responses per respondent | Average burden per response (in hours) | Annual hour burden |
|---|---|---|---|---|
| 14–18 year-old youths: Twins Survey (TLI) | | 1 | 29/60 | 290 |

Dated: March 4, 2014.

**Glenda J. Conroy,**

*Executive Officer (OM Director), NIDA, NIH.*

[FR Doc. 2014–05142 Filed 3–7–14; 8:45 am]

**BILLING CODE 4140–01–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

**[USCG–2013–1064]**

### 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 the following collection of information: 1625—NEW, District Five, Coast Guard Auxiliary Safety Survey. 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 May 9, 2014.

**ADDRESSES:** You may submit comments identified by Coast Guard docket number [USCG–2013–1064] 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 ICRs 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, U.S. 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 Collections. 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 Collections; (2) the accuracy of the estimated burden of the Collections; (3) ways to enhance the quality, utility, and clarity of information subject to the Collections; and (4) ways to minimize the burden of the Collections 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 Collections. 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–2013–1064], and must be received by May 9, 2014. 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–2013–1064], 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–2013–1064'' 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–2013–1064'' 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:* District Five (D5), Coast Guard Auxiliary Safety Survey.

*OMB Control Number:* 1625—NEW.

*Summary:* This collection is associated with D5 Safety and Risk Management (SARM) Council initiatives to enhance operational safety throughout D5. The SARM Council plans to utilize an online survey to conduct a safety/hazard assessment for organizational volunteers engaged in Coast Guard operations.

*Need:* The information is needed to enhance operations for all Auxiliarists throughout D5. The Coast Guard's aviation community has been conducting annual Safety Surveys for quite some time. This yearly assessment has proven to be an invaluable tool for air station commands to identify latent hazards and gauge the overall safety culture of their units and the D5 SARM is looking to have the same outcomes with this specific survey.

*Forms:* Online survey at *https://surveys.uscg.mil/Community.se.ashx?s=6F20F77460608CE6.*

*Respondents:* District Five Auxiliarists.

*Frequency:* Annual Safety Survey.

*Burden Estimate:* This is a new Information Collection Request (ICR). The estimated burden is 533 annual hours.

Dated: March 4, 2014.

**R.E. Day,**

*Rear Admiral, U.S. Coast Guard, Assistant Commandant for Command, Control, Communications, Computers and Information Technology.*

[FR Doc. 2014–05130 Filed 3–7–14; 8:45 am]

**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

**[USCG–2013–0950]**

### Collection of Information Under Review by Office of Management and Budget

**AGENCY:** Coast Guard, DHS.

**ACTION:** Thirty-day notice requesting comments.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 the U.S. Coast Guard is forwarding Information Collection Requests (ICRs), abstracted below, to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting approval of a revision to the following collection of information: 1625–0019, Alternative Compliance for International and Inland Navigation Rules—33 CFR Parts 81 through 89. Review and comments by OIRA ensure we only impose paperwork burdens commensurate with our performance of duties.

**DATES:** Comments must reach the Coast Guard and OIRA on or before April 9, 2014.

**ADDRESSES:** You may submit comments identified by Coast Guard docket number [USCG–2013–0950] to the Docket Management Facility (DMF) at the U.S. Department of Transportation (DOT) and/or to OIRA. To avoid duplicate submissions, please use only one of the following means:

(1) *Online:* (a) To Coast Guard docket at *http://www.regulations.gov.* (b) To OIRA by email via: *OIRA-submission@omb.eop.gov.*

(2) *Mail:* (a) DMF (M–30), DOT, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001. (b) To OIRA, 725 17th Street NW., Washington, DC 20503, attention Desk Officer for the Coast Guard.

(3) *Hand Delivery:* To DMF 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:* (a) To DMF, 202–493–2251. (b) To OIRA at 202–395–6566. To ensure your comments are received in a timely manner, mark the fax, 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 ICRs 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, U.S. Coast Guard, 2703 Martin Luther King Jr Ave. SE., STOP 7710, Washington DC 20593–7710.

**FOR FURTHER INFORMATION CONTACT:** 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 Collections. 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 Collections; (2) the accuracy of the estimated burden of the Collections; (3) ways to enhance the quality, utility, and clarity of information subject to the Collections; and (4) ways to minimize the burden of the Collections on respondents, including the use of automated collection techniques or other forms of information technology. These comments will help OIRA determine whether to approve the ICRs referred to in this Notice.

We encourage you to respond to this request by submitting comments and related materials. Comments to Coast Guard or OIRA must contain the OMB Control Number of the ICR. They must also contain the docket number of this request, [USCG 2013–0950], and must be received by April 9, 2014. 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–2013–0950]; 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 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–2013–0950'' 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–2013–0950'' 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.

OIRA posts its decisions on ICRs online at *http://www.reginfo.gov/public/do/PRAMain* after the comment period for each ICR. An OMB Notice of Action on each ICR will become available via a hyperlink in the OMB Control Numbers: 1625–0019.

**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).

**Previous Request for Comments**

This request provides a 30-day comment period required by OIRA. The Coast Guard published the 60-day notice (78 FR 74155, December 10, 2013) required by 44 U.S.C. 3506(c)(2). That Notice elicited no comments.

**Information Collection Request**

1. *Title:* Alternative Compliance for International and Inland Navigation Rules—33 CFR Parts 81 through 89.

*OMB Control Number:* 1625–0019.

*Type of Request:* Revision of a currently approved collection.

*Respondents:* Vessel owners, operators, builders and agents.

*Abstract:* The information collected provides an opportunity for an owner, operator, builder, or agent of a unique vessel to present their reasons why the vessel cannot comply with existing International/Inland Navigation Rules and how alternative compliance can be achieved. If appropriate, a Certificate of Alternative Compliance is issued.

*Forms:* None.

*Burden Estimate:* The estimated burden has increased from 50 hours to 230 hours a year due to an increase in the estimated annual number of responses.

**Authority:** The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: March 4, 2014.

**R.E. Day,**

*Rear Admiral, U.S. Coast Guard, Assistant Commandant for Command, Control, Communications, Computers and Information Technology.*

[FR Doc. 2014–05103 Filed 3–7–14; 8:45 am]

**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

**[USCG–2013–0896]**

### Collection of Information Under Review by Office of Management and Budget

**AGENCY:** Coast Guard, DHS.

**ACTION:** Thirty-day notice requesting comments.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 the U.S. Coast Guard is forwarding Information Collection Requests (ICRs), abstracted below, to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting approval of a revision to the following collection of information: 1625–0030, Oil and Hazardous Materials Transfer Procedures. Review and comments by OIRA ensure we only impose paperwork burdens commensurate with our performance of duties.

**DATES:** Comments must reach the Coast Guard and OIRA on or before April 9, 2014.

**ADDRESSES:** You may submit comments identified by Coast Guard docket number [USCG–2013–0896] to the Docket Management Facility (DMF) at the U.S. Department of Transportation (DOT) and/or to OIRA. To avoid duplicate submissions, please use only one of the following means:

(1) Online: (a) To Coast Guard docket at *http://www.regulations.gov.* (b) To OIRA by email via: *OIRA-submission@omb.eop.gov.*

(2) Mail: (a) DMF (M–30), DOT, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE.,

Washington, DC 20590–0001. (b) To OIRA, 725 17th Street NW., Washington, DC 20503, attention Desk Officer for the Coast Guard.

(3) Hand Delivery: To DMF 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: (a) To DMF, 202–493–2251. (b) To OIRA at 202–395–6566. To ensure your comments are received in a timely manner, mark the fax, 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 ICRs 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, U.S. COAST GUARD, 2703 MARTIN LUTHER KING JR AVE. SE., STOP 7710, WASHINGTON, DC 20593–7710.

**FOR FURTHER INFORMATION CONTACT:** 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 Collections. 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 Collections; (2) the accuracy of the estimated burden of the Collections; (3) ways to enhance the quality, utility, and clarity of information subject to the Collections; and (4) ways to minimize the burden of the Collections on respondents, including the use of automated collection techniques or other forms of information technology. These comments will help OIRA determine whether to approve the ICRs referred to in this Notice.

We encourage you to respond to this request by submitting comments and related materials. Comments to Coast Guard or OIRA must contain the OMB Control Number of the ICR. They must also contain the docket number of this request [USCG 2013–0896], and must be received by April 9, 2014. 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–2013–0896]; 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 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–2013–0896'' 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–2013–0896'' 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.

OIRA posts its decisions on ICRs online at *http://www.reginfo.gov/public/do/PRAMain* after the comment period for each ICR. An OMB Notice of Action on each ICR will become available via a hyperlink in the OMB Control Numbers: 1625–0030.

## 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).

## Previous Request for Comments

This request provides a 30-day comment period required by OIRA. The Coast Guard published the 60-day notice (78 FR 77693, December 24, 2013) required by 44 U.S.C. 3506(c)(2). That Notice elicited no comments.

## Information Collection Request

1. *Title:* Oil and Hazardous Materials Transfer Procedures.

*OMB Control Number:* 1625–0030.

*Type of Request:* Revision of a currently approved collection.

*Respondents:* Operators of certain vessels.

*Abstract:* Vessels with a capacity of 250 barrels or more of oil or hazardous materials must develop and maintain transfer procedures. Transfer procedures provide basic safety information for operating transfer systems with the goal of pollution prevention.

*Forms:* None.

*Burden Estimate:* The estimated burden has decreased from 164 hours to 160 hours a year due to a decrease in the estimated annual number of responses.

**Authority:** The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: March 4, 2014.

**R.E. Day,**

*Rear Admiral, U.S. Coast Guard, Assistant Commandant for Command, Control, Communications, Computers and Information Technology.*

[FR Doc. 2014–05131 Filed 3–7–14; 8:45 am]

**BILLING CODE 9110–04–P**

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

### Centers of Excellence and Expertise Test; Modifications

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** Notice.

**SUMMARY:** This document modifies previous notices published by U.S. Customs and Border Protection (CBP) regarding its Centers of Excellence and Expertise (Centers) Test. Specifically, this document changes the scope of coverage for some of the Centers and the types of entries that will be processed by the Centers, waives an additional regulation for Center test participants, and clarifies the submission process for responses to Requests for Information and Notices of Action.

**DATES:** The effective date of this document is March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Lori J. Whitehurst, Branch Chief, Industry and Account Management Division, Office of Field Operations, at 202–344–2536; Carlly Luckman, Program Manager, Industry and Account Management Division, Office of Field Operations, at 202–325–4702; Susan L. Dalpe, Program Manager, Industry and Account Management Division, Office of Field Operations at 202–344–2194.

**SUPPLEMENTARY INFORMATION:**

#### Background

U.S. Customs and Border Protection (CBP) published a **Federal Register** notice (77 FR 52048) on August 28, 2012, to announce a test broadening the ability of the Centers of Excellence and Expertise (Centers) to make decisions by waiving certain identified regulations to the extent to provide the Center Directors with the authority to make the decisions normally reserved for the Port Directors. The notice provided centralized decision-making authority to the: Electronics Center; Pharmaceutical, Health & Chemicals Center; Automotive & Aerospace Center; and Petroleum, Natural Gas & Minerals Center. The document defined the scope of the Centers so that interested test volunteers could determine which Center aligned with their business.

CBP published a second **Federal Register** notice (78 FR 20345) on April 4, 2013, to modify and expand the Centers test. The notice announced the following six new Centers: The Agriculture & Prepared Products Center; the Apparel, Footwear & Textiles Center; the Base Metals Center; the Consumer Products & Mass Merchandising Center; the Industrial & Manufacturing Materials Center; and the Machinery Center. The document defined the scope of the new Centers so that interested test volunteers could determine which Center aligned with their business.

This document makes modifications to CBP's Centers Test by changing the scope of coverage for some of the Centers, changing the types of entries that will be processed by the Centers, waiving an additional regulation for Center test participants, and clarifying the submission process for responses to Requests for Information and Notices of Action.

Unless specified in this document or in the Center Test Guidelines, which was recently renamed and will hereinafter be referred to as the ''Centers of Excellence and Expertise Trade Process Document'', all terms and conditions of the test and current CBP processes will remain unchanged.

*I. Modification of the Scope of Coverage for Certain Centers*

Following each Center description, this document specifically notes the modifications to the scope of coverage for the Center. CBP is modifying the scope of coverage previously published for the following Centers: Automotive & Aerospace; Base Metals; Consumer Products & Mass Merchandising; Industrial & Manufacturing Materials; Machinery; and Petroleum, Natural Gas & Minerals.

The scope of coverage for the following Centers remains unchanged: Agriculture & Prepared Products; Apparel, Footwear & Textiles; Electronics; and Pharmaceuticals, Health & Chemicals.

a. Automotive & Aerospace Center

Modification: This document adds heading 8511, HTSUS, to this Center. The heading was previously covered by the Machinery Center.

For inclusion in the Automotive & Aerospace Center, importers must be part of the automotive, aerospace, or other transportation equipment and related parts industries, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the term ''automotive'' includes merchandise classified under headings 8701 through 8711, 8713, 8714, and 8716, HTSUS. For purposes of this Center, the term ''aerospace'' includes merchandise classified under headings 8801 through 8805, HTSUS. For purposes of this Center, the term ''other transportation equipment and related parts'' includes but is not limited to merchandise classified under headings 4011 through 4013, 8406 through 8412, 8511, 8512, 8601 through 8609, 8901 through 8908, HTSUS.

b. Base Metals Center

Modifications: This document removes heading 7414, HTSUS, from this Center because it does not exist in the 2014 HTSUS. This document also removes headings 7309 through 7311, HTSUS, from this Center and moves them to the Industrial & Manufacturing Materials Center. This document adds heading 7415, HTSUS, to this Center as it was inadvertently omitted in the Center test notice published in the **Federal Register** (*see* 78 FR 20345). This document adds headings 8307 through 8311, HTSUS, which were previously covered by the Machinery Center.

For inclusion in the Base Metals Center, importers must be part of the steel, steel mill products, ferrous and nonferrous metal, or similar industries, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the term ''base metals'' includes merchandise classified under headings 7201 through 7308, 7312 through 7318, 7320, 7322, 7324 through 7413, 7415, 7419 through 7614, 7616 through 8113, and 8307 through 8311 of the Harmonized Tariff Schedule of the United States (HTSUS).

c. Consumer Products & Mass Merchandising Center

Modifications: This document also removes heading 7013, HTSUS, and moves it to the Industrial & Manufacturing Materials Center. This document adds heading 9619, HTSUS, to this Center as it was inadvertently omitted in the Center test notice published in the **Federal Register** (*see* 78 FR 20345). This document also adds headings 8210 and 8539, HTSUS, which were previously covered by the Machinery Center.

For inclusion in the Consumer Products and Mass Merchandising Center, importers must be part of the household goods, consumer products, or similar industries, and or mass merchandisers of products typically sold for home use, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the term ''consumer products and mass merchandising'' includes merchandise classified under headings 3303 through 3307, 3401, 3406, 3605, 3924, 3926, 4201, 4202, 4205, 4206, 4414, 4419, 4420, 4421, 4602, 4803, 4817, 4818, 4820, 4901 through 4911, 6601 through 6603, 6701 through 6704, 6911 through 6913, 7113 through 7118, 7319, 7321, 7323, 7418, 7615, 8210 through 8215, 8301, 8303 through 8306, 8469, 8470, 8508, 8509, 8510, 8513, 8516, 8539, 8712, 8715, 9001 through 9006, 9013, 9101 through 9114, 9201, 9202, 9205 through 9209, 9401, 9403 through 9405, 9503 through 9508, 9601 through 9619, and 9701 through 9706 of the HTSUS.

d. Industrial & Manufacturing Materials Center

Modifications: This document removes heading 4414, HTSUS, from this Center because it is already covered by the Consumer Products and Mass Merchandising Center. This document also removes heading 4815, HTSUS, from this Center because it does not exist in the 2014 HTSUS. This document adds headings 2501 through 2530, HTSUS, which were previously covered by the Petroleum, Natural Gas & Minerals Center. This document also adds heading 7013, HTSUS, which was previously covered by the Consumer Products and Mass Merchandising Center. This document also adds headings 7309 through 7311, HTSUS, which were previously covered by the Base Metals Center. This document also adds heading 9406, HTSUS, which was previously covered by the Machinery Center.

For inclusion in the Industrial & Manufacturing Materials Center, importers must be part of the plastics, polymers, rubber, leather, wood, paper, stone, glass, precious stones or precious metals, or similar industries, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the term ''industrial and manufacturing materials'' includes merchandise classified under headings 2501 through 2530, 3901 through 3923, 3925, 4001 through 4010, 4016 through 4115, 4301, 4302, 4401 through 4413, 4415 through 4418, 4501 through 4601, 4701 through 4802, 4804 through 4814, 4816, 4819, 4821, 4822, 4823, 6801 through 6910, 6914 through 7011, 7013, 7014 through 7112, 7309 through 7311, and 9406 of the HTSUS.

e. Machinery Center

Modifications: This document removes heading 8485, HTSUS, from this Center because it does not exist in the 2014 HTSUS. This document removes headings 8210 and 8539, HTSUS, and moves them to the Consumer Products & Mass Merchandising Center. This document removes headings 8307 through 8311, HTSUS, and moves them to the Base Metals Center. This document also removes heading 8511, HTSUS, and moves it to the Automotive & Aerospace Center. This document also removes heading 9406, HTSUS, and moves it to the Industrial & Manufacturing Materials Center.

For inclusion in the Machinery Center, importers must be part of the tools, machine tools, production equipment, instruments, or similar industries, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the term ''machinery'' includes merchandise classified under headings 8201 through 8209, 8302, 8401 through 8405, 8413 through 8468, 8472, 8474 through 8484, 8486, 8487, 8505 through 8507, 8514, 8515, 9007, 9008, 9010, 9011, 9012, 9014 through 9017, 9020, 9023 through 9033, and 9301 through 9307 of the HTSUS.

f. Petroleum, Natural Gas & Minerals Center

Modifications: This document removes headings 2501 through 2530, HTSUS, and moves them to the Industrial & Manufacturing Materials Center. This document also adds heading 3826, HTSUS, to this Center as it was inadvertently omitted in the Center test notice published in the **Federal Register** (*see* 77 FR 52048).

For inclusion in the Petroleum, Natural Gas & Minerals Center, applicants must be part of the petroleum, natural gas, petroleum related, minerals, or mining industries, with the highest percentage of their entries comprised of related merchandise. For purposes of this Center, the terms ''petroleum'' and ''natural gas'' include merchandise classified under headings 2709 through 2713, HTSUS. For purposes of this Center, the term ''petroleum related'' includes merchandise classified under headings 2701, 2705, 2707, 2708, 2714, 2715, 2716, and 3826, HTSUS. For purposes of this Center, the term ''minerals'' or ''mining'' include merchandise classified under headings 2601 through 2621, 2702, 2703, 2704, and 2706, HTSUS.

*II. Modification to the Types of Entries Processed by the Centers*

In the previous Center test notices that were published in the **Federal Register** (*see* 77 FR 52048 and 78 FR 20345), CBP noted that all consumption entries filed before and during participation in the test, except for antidumping and countervailing duty entries, would be processed by the designated Center, regardless of the commodity listed on the entry line upon transition of processing as set forth in the Centers of Excellence and Expertise Trade Process Document.

This document changes that process in two ways. First, the Centers will now process additional entry types that were filed before and during participation in the test. Beginning on the date of publication of this notice, the Centers will process the following entry types that were filed by a test participant before and after the test participant joined the Center test:

- Consumption Entries: Free & Dutiable (Type 01);
- Consumption Entries: Appraisement (Type 04);
- Consumption Entries: Foreign Trade Zone (Type 06);
- Consumption Entries: Duty Deferral (Type 08);
- Informal Entries: Free & Dutiable (Type 11);
- Temporary Importation under Bond (TIB) (Type 23); and
- Trade Fair (Type 24).

CBP anticipates that the Centers will process the following entry types in the near future. CBP will publish the date on which the Centers will begin processing the following entry types in the Centers of Excellence and Expertise Trade Process Document:

- Consumption Entries: Quota/Visa (Type 02);
- Consumption Entries: Vessel Repair (Type 05);
- Consumption Entries: Quota/Visa and AD/CVD (Type 07);
- Consumption Entries: Reconciliation (Type 09);
- Informal Entries: Quota (Type 12);
- Warehouse Entries: Warehouse (Type 21);
- Warehouse Entries: Rewarehouse (Type 22);
- Permanent Exhibition (Type 25);
- Warehouse Withdrawal: For Consumption (Type 31);
- Warehouse Withdrawal: Quota/Visa (Type 32);
- Warehouse Withdrawal: Antidumping and Countervailing Duty (Type 34);

• Warehouse Withdrawal: Quota/Visa and Antidumping and Countervailing Duty (Type 38);

• Government Entries: Defense Contract Management Area Office (DCMAO) (Type 51); and

• Government Entries: Federal Agencies other than DCMAO (Type 52).

The Centers of Excellence and Expertise Trade Process Document is posted on the following Web site: *http://cbp.gov/xp/cgov/trade/trade_transformation/industry_int/*.

The Centers will not process any entries related to Foreign-Trade Zone Admissions (Type 26) and Transportation Entries (Types 61, 62, and 63).

Second, CBP is modifying its approach regarding the processing of Consumption Entries: Antidumping and Countervailing Duty (Type 03). Specifically, antidumping and countervailing duty entries filed with CBP by a test participant, before the participant joined the Center test, will be processed by the port directors. All antidumping and countervailing duty entries filed during participation in the Center test will be processed by the Center directors.

*III. Waiver of Additional Regulation for the Center Test*

Currently, pursuant to the CBP regulations in title 19 of the Code of Federal Regulations (19 CFR), Port Directors have the authority to make decisions regarding merchandise imported and entered within the CBP ports of entry. In the General Notices published in the **Federal Register** (77 FR 52048 and 78 FR 20345) on August 28, 2012 and April 4, 2013, CBP stated that it was waiving certain regulations in title 19 of the CFR (19 CFR) to the extent to provide the Center Directors with the authority to make the decisions that were otherwise reserved for the Port Directors. This document also waives § 10.847(c) of title 19 of the CFR (19 CFR 10.847(c)) so as to allow test participants to submit their corrected claim for duty-free treatment under 19 CFR 10.847(a) to the Center where the claim was originally filed rather than with the CBP port.

Moreover, while it is not necessary to waive additional regulations to transfer to the Centers the CBP functions covered by Subpart O of Part 10, CBP notes that all CBP related functions associated with Subpart O of Part 10 will be handled by the Centers.

Any waiver of regulations made in this document or the previously published documents apply only to test participants.

*IV. Submission of Responses to Requests for Information (CBP Form 28) and Notices of Action (CBP Form 29)*

In the Center test notices that were published in the **Federal Register** (*see* 77 FR 52048 and 78 FR 20345), CBP noted that Center participants would be required to submit timely responses to Requests for Information (CBP Form 28) and Notices of Action (CBP Form 29) directly to the Center. This document seeks to clarify that the submissions of written responses to CBP Form 28 and CBP Form 29 must be sent electronically to the test participant's designated Center.

Dated: March 5, 2014.

**Thomas S. Winkowski,**

*Acting Commissioner, U.S. Customs and Border Protection.*

[FR Doc. 2014–05115 Filed 3–7–14; 8:45 am]

**BILLING CODE 9111–14–P**

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

### Accreditation and Approval of Inspectorate America Corporation, as a Commercial Gauger and Laboratory

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** Notice of accreditation and approval of Inspectorate America Corporation, as a commercial gauger and laboratory.

**SUMMARY:** Notice is hereby given, pursuant to CBP regulations, that Inspectorate America Corporation, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of September 12, 2013.

**DATES:** *Effective Dates:* The accreditation and approval of Inspectorate America Corporation, as a commercial gauger and laboratory became effective on September 12, 2013. The next triennial inspection date will be scheduled for September 2016.

**FOR FURTHER INFORMATION CONTACT:** Approved Gauger and Accredited Laboratories Manager, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1331 Pennsylvania Avenue NW., Suite 1500N, Washington, DC 20229, tel. 202–344–1060.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that Inspectorate America Corporation, 1404 Joliet Road, Suite G, Romeoville, IL 60446, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13. Inspectorate America Corporation is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

| API chapters | Title |
|---|---|
| 3 | Tank gauging. |
| 7 | Temperature determination. |
| 8 | Sampling. |
| 12 | Calculations. |
| 17 | Marine measurement. |

Inspectorate America Corporation is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

| CBPL No. | ASTM | Title |
|---|---|---|
| 27–01 | ASTM D 287 | Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). |
| 27–03 | ASTM D 4006. | Standard Test Method for Water in Crude Oil by Distillation. |
| 27–05 | ASTM D 4928. | Standard Test Method for Water in Crude Oils by Coulometric Karl Fischer Titration. |
| 27–06 | ASTM D 473 | Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method. |
| 27–13 | ASTM D 4294. | Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy-Dispersive X-ray Fluorescence Spectrometry. |

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344–1060. The inquiry may also be sent to *cbp.labhq@dhs.gov*. Please reference the Web site listed below for a complete listing of CBP approved gaugers and accredited laboratories. *http://cbp.gov/linkhandler/cgov/trade/basic_trade/labs_scientific_svcs/commercial_gaugers/gaulist.ctt/gaulist.pdf*.

Dated: February 27, 2014.

**Ira S. Reese,**

*Executive Director, Laboratories and Scientific Services.*

[FR Doc. 2014–05113 Filed 3–7–14; 8:45 am]

**BILLING CODE 9111–14–P**

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

### Accreditation and Approval of Inspectorate America Corporation, as a Commercial Gauger and Laboratory

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** Notice of accreditation and approval of Inspectorate America Corporation, as a commercial gauger and laboratory.

**SUMMARY:** Notice is hereby given, pursuant to CBP regulations, that Inspectorate America Corporation has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of August 20, 2013.

**DATES:** *Effective Dates:* The accreditation and approval of Inspectorate America Corporation, as commercial gauger and laboratory became effective on August 20, 2013. The next triennial inspection date will be scheduled for August 2016.

**FOR FURTHER INFORMATION CONTACT:** Approved Gauger and Accredited Laboratories Manager, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1331 Pennsylvania Avenue NW., Suite 1500N, Washington, DC 20229, tel. 202–344–1060.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that Inspectorate America Corporation, 2501 SE. Columbia Way, Suite 300, Vancouver, WA 98661, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13. Inspectorate America Corporation is approved for the following gauging procedures for petroleum and certain petroleum products per the American Petroleum Institute (API) Measurement Standards:

| API chapters | Title |
|---|---|
| 2 | Tank calibration |
| 4 | Proving systems |
| 5 | Metering |
| 6 | Metering assemblies |
| 7 | Temperature determination |
| 8 | Sampling |
| 12 | Calculations |
| 17 | Maritime measurement |

Inspectorate America Corporation is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

| CBPL No. | ASTM | Title |
|---|---|---|
| 27–01 | ASTM D 287 | Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). |
| 27–02 | ASTM D 1298 | Standard Test Method for Density, Relative Density (Specific Gravity), or API Gravity of Crude Petroleum and Liquid Petroleum Products by Hydrometer Method. |
| 27–03 | ASTM D 4006 | Standard test method for water in crude oil by distillation. |
| 27–04 | ASTM D 95 | Standard test method for water in petroleum products and bituminous materials by distillation. |
| 27–05 | ASTM D 4928 | Standard test method for water in crude oils by Coulometric Karl Fischer Titration. |
| 27–06 | ASTM D 473 | Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method. |
| 27–07 | ASTM D 4807 | Standard Test Method for Sediment in Crude Oil by Membrane Filtration. |
| 27–08 | ASTM D 86 | Standard Test Method for Distillation of Petroleum Products at Atmoshpheric Pressure. |
| 27–11 | ASTM D 445 | Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids (the Calculation of Dynamic Viscosity). |
| 27–13 | ASTM D 4294 | Standard test method for sulfur in petroleum and petroleum products by energy-dispersive x-ray fluorescence spectrometry. |
| 27–20 | ASTM D 4057 | Standard Practice for Manual Sampling of Petroleum and Petroleum Products. |
| 27–48 | ASTM D 4052 | Standard Test Method for Density and Relative Density of Liquids by Digital Density Meter. |
| 27–50 | ASTM D–93 | Standard test methods for flash point by Penske-Martens Closed Cup Tester. |
| 27–53 | ASTM D 2709 | Standard Test Method for Water and Sediment in Middle Distillate Fuels by Centrifuge. |
| 27–57 | ASTM D 7039 | Standard Test Method for Sulfur in Gasoline and Diesel Fuel by Monochromatic Wavelength Dispersive X-Ray Fluorescence Spectrometry. |
| 27–58 | ASTM D 5191 | Standard Test Method For Vapor Pressure of Petroleum Products (Mini Method). |

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344–1060. The inquiry may also be sent to *cbp.labhq@dhs.gov.* Please reference the Web site listed below for a complete listing of CBP approved gaugers and accredited laboratories. *http://cbp.gov/linkhandler/cgov/trade/basic_trade/labs_scientific_svcs/commercial_gaugers/gaulist.ctt/gaulist.pdf*

Dated: February 27, 2014.

**Ira S. Reese,**

*Executive Director, Laboratories and Scientific Services.*

[FR Doc. 2014–05114 Filed 3–7–14; 8:45 am]

**BILLING CODE 9111–14–P**

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

### Accreditation of SEA, Ltd., as a Commercial Laboratory

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** Notice of accreditation of SEA, Ltd., as a commercial laboratory.

**SUMMARY:** Notice is hereby given, pursuant to CBP regulations, that SEA, Ltd. has been accredited to test certain wax and candle products under Chapter 34 of the Harmonized Tariff Schedule of the United States (HTSUS) for customs purposes for the next three years as of August 29, 2013.

**DATES:** *Effective Dates:* The accreditation of SEA, Ltd., as a commercial laboratory became effective on August 29, 2013. The next triennial inspection date will be scheduled for August 2016.

**FOR FURTHER INFORMATION CONTACT:** Approved Gauger and Accredited Laboratories Manager, Laboratories and Scientific Services, U.S. Customs and Border Protection, 1331 Pennsylvania Avenue NW., Suite 1500N, Washington, DC 20229, tel. 202–344–1060.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given pursuant to 19 CFR 151.12, that SEA, Ltd., 7349 Worthington-Galena Road, Columbus, OH 43085, has been accredited to test certain wax and candle products under Chapter 34 of the Harmonized Tariff Schedule of the United States (HTSUS) for customs purposes, in accordance with the provisions of 19 CFR 151.12. SEA, Ltd. is accredited for the following laboratory analysis procedures and methods for certain wax and candle products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL):

| CBPL No. | Title |
|---|---|
| 34–07 | Quantitation of Paraffin in Beeswax and Other Waxes by High Temperature Capillary Gas Chromatography. |
| 34–14 | Qualitative and Quantitative Analysis of Petroleum Wax in Candles by Capillary Gas Chromatography. |
| 34–15 | Qualitative Analysis of Wax and Gel Candles by Infrared Spectroscopy. |
| 34–16 | Quantitative Analysis of Petroleum Wax in Candles by Solid Phase Extraction Chromatography. |

Anyone wishing to employ this entity to conduct laboratory analyses should request and receive written assurances from the entity that it is accredited by the U.S. Customs and Border Protection to conduct the specific test requested. Alternatively, inquiries regarding the specific test this entity is accredited to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344–1060. The inquiry may also be sent to *cbp.labhq@dhs.gov.* Please reference the Web site listed below for a complete listing of CBP approved gaugers and accredited laboratories. *http://cbp.gov/linkhandler/cgov/trade/basic_trade/labs_scientific_svcs/commercial_gaugers/gaulist.ctt/gaulist.pdf*

Dated: February 6, 2014.

**Ira S. Reese,**

*Executive Director, Laboratories and Scientific Services.*

[FR Doc. 2014–05112 Filed 3–7–14; 8:45 am]

**BILLING CODE 9111–14–P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–5758–N–03]**

### 60-Day Notice of Proposed Information Collection: Pre-Purchase Homeownership Counseling Demonstration and Impact Evaluation

**AGENCY:** Office of the Assistant Secretary for Policy Development and Research, HUD.

**ACTION:** Notice.

**SUMMARY:** HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

**DATES:** *Comments Due Date:* May 9, 2014.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Room 4176, Washington, DC 20410–5000; telephone (202) 402–5564 (this is not a toll-free number) or email at *Colette.Pollard@hud.gov* for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

**FOR FURTHER INFORMATION CONTACT:** Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette.Pollard@hud.gov* or telephone (202) 402–3400. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

**SUPPLEMENTARY INFORMATION:** This notice informs the public that HUD is seeking approval from OMB for the

information collection described in Section A.

**A. Overview of Information Collection**

*Title of Information Collection:* Focus Group Protocols and Consent Collection for Pre-Purchase Homeownership Counseling Demonstration and Impact Evaluation; Second Round.

*OMB Approval Number:* 2528–0293.

*Type of Request:* Revision.

*Description of the need for the information and proposed use:* The Department of Housing and Urban Development (HUD) is conducting an important national study of the effectiveness of pre-purchase homeownership counseling services. This information collection covers two updates to the initial data collection: (a) Replacement of telephone interviews with focus groups to collect qualitative data and (b) changes to the approach used to collect consent from coborrowers of study participants. The information collected through the focus groups will be used to support the implementation analysis and to collect qualitative information about study participants' experiences with pre-purchase homeownership counseling services. The collection of consent from study participants' coborrowers is necessary to allow the study to collect data related to the characteristics and performance of study participants' mortgage loans.

*Respondents* (i.e. affected public): A total of up to 144 study participants will participate in 12 focus groups of 8–12 participants each. Each focus group will take approximately 120 minutes. Prior to the focus groups, the study team will contact eligible study participants in three cities to request participation in a focus group and confirm eligibility information. The recruitment calls are estimated to take approximately 5 minutes per person. The study's enrollment projections suggest that the three largest study sites will include approximately 720 eligible study participants, although recruitment will end sooner if the available focus group slots are filled.

The collection of coborrower consent involves including the coborrower consent form in the study's regular tracking letters, along with a request for the coborrower to review, sign, and return the written consent form. The study estimates that approximately 1800 study participants will have coborrowers. The coborrowers' review and return of the coborrower consent form is estimated to require approximately 5 minutes per coborrower.

The focus group recruitment call, focus group, and coborrower will be completed once by each applicable respondent during the entire length of the study.

| Information collection | Number of respondents | Frequency of response | Responses per annum | Burden hours per response (minutes) | Annual burden hours | Hourly cost per response | Annual cost |
|---|---|---|---|---|---|---|---|
| Focus group recruitment calls | 720 | 1 | 1 | 5 | 60 | $25 | $1,500 |
| Focus groups | 144 | 1 | 1 | 120 | 288 | 25 | 7,200 |
| Coborrower consent form | 1800 | 1 | 1 | 5 | 150 | 25 | 3750 |
| Total | 2520 | 3 | 3 | | 498 | | 12,450 |

**B. Solicitation of Public Comment**

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) 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) The accuracy of the agency's estimate of the burden of the proposed collection of information;

(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 those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.

**Authority:** Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35.

Dated: February 27, 2014.

**Jean Lin Pao,**

*General Deputy Assistant Secretary for Policy, Development and Research.*

[FR Doc. 2014–05097 Filed 3–7–14; 8:45 am]

**BILLING CODE 4210–67–P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–5800–N–02]**

### Notice of HUD's Funding Availability for Fiscal Years 2014 and 2015 Comprehensive Housing Counseling Grant Program

**AGENCY:** Office of the Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development (HUD).

**ACTION:** Notice of Funding Availability (NOFA) for the Department's Fiscal Year (FY) 2014–FY 2015 Comprehensive Housing Counseling Grant Program.

**SUMMARY:** This notice announces that HUD has posted on *http://www.Grants.gov* and *http://www.HUD.gov* its FY 2014 and FY 2015 Comprehensive Housing Counseling Grant Program NOFA. The Comprehensive Housing Counseling NOFA is comprised of both the General Section to the Department's FY 2014 NOFAs for Discretionary Programs (General Section) published February 19, 2014 and this NOFA. In addition to the application requirements set forth in the NOFA, applicants must also comply with the requirements established in the General Section, and all Housing Counseling Program requirements. HUD reserves the right to award both FY 2014 and FY 2015 funds on the basis of this single NOFA competition. FY 2015 grants to be awarded under this NOFA are contingent upon future Congressional action, and subject to the availability of funding. HUD's intent to award FY 2015 funds to FY 2014 and FY 2015 applicants will be announced separately if such funds become available.

**FOR FURTHER INFORMATION CONTACT:** Questions regarding specific program requirements should be directed to *housing.counseling@hud.gov.* Persons with hearing or speech impairments may access these numbers via TTY by

calling the Federal Relay Service at 800–877–8339.

**SUPPLEMENTARY INFORMATION:** Today's **Federal Register** notice announces that HUD has posted its FY 2014 and FY 2015 Comprehensive Housing Counseling Grant Program NOFA on *http://www.Grants.gov* and *http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail.* Approximately $38.5 million is expected to be available for eligible applicants under this NOFA for FY 2014 through the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014. HUD intends to award FY 2015 Comprehensive Housing Counseling Program Grants from this NOFA, provided such funds are appropriated by Congress. The application deadline date is April 7, 2014. Applications must be received by *Grants.gov* no later than 11:59:59 p.m. Eastern Time on the application deadline date. See Section IV of the General Section, regarding application procedures, timely filing requirements, and grace period policy. HUD may issue a technical correction to this NOFA if necessary. Any such technical correction will provide detailed instructions for Applicants regarding the resubmission of applications to address the revised NOFA requirements.

Dated: March 4, 2014.

**Anne M. Morillon,**

*Director, Grants Management and Oversight Division, Office of Strategic Planning and Management.*

[FR Doc. 2014–05093 Filed 3–7–14; 8:45 am]

**BILLING CODE 4210–67–P**

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**[Docket No. FR–5700–N–28]**

### Notice of HUD's Fiscal Year (FY) 2013 Notice of Funding Availability (NOFA) for Section 811 Project Rental Assistance Program

**AGENCY:** Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

**ACTION:** Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2013 Section 811 Supportive Housing for Persons with Disabilities (Section 811) Project Rental Assistance (PRA) Program.

**SUMMARY:** This notice announces that HUD has posted on *http://www.Grants.gov* and *http://www.HUD.gov* a Notice of Funding Availability (NOFA) for HUD's Fiscal Year (FY) 2013 Section 811 Supportive Housing for Persons with Disabilities (Section 811) Project Rental Assistance (PRA) Program.

**FOR FURTHER INFORMATION CONTACT:** Questions regarding specific program requirements should be directed to Lessie Powell Evans, Office of Housing Assistance and Grant Administration, Department of Housing and Urban Development, 451 Seventh Street SW., Room 6234, Washington, DC 20410 or to *PRAapplications@hud.gov.* HUD expects to hold an information webcast via satellite or a webinar for potential applicants to learn more about the Program and preparation of an application. For more information about the date and time of this webcast, consult the HUD Web site at *www.hud.gov.*

**SUPPLEMENTARY INFORMATION:** Today's **Federal Register** notice announces that HUD has posted its FY 2013 Section 811 Supportive Housing for Persons with Disabilities (Section 811) Project Rental Assistance (PRA) Program on *http://www.Grants.gov* and *http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/grants/fundsavail.* This NOFA comprises both the (FY) 2013 General Section posted on *www.Grants.gov* on August 8, 2012, and this program NOFA. This NOFA announces the availability of Section 811 PRA funding for state housing or other appropriate housing agencies to provide project-based rental assistance in the development of supportive housing for extremely low-income persons with disabilities. To be eligible for Section 811 PRA funds, these housing agencies must have a formal partnership with the State health and human service agency and the state agency designated to administer or supervise the administration of the State plan for medical assistance under Title XIX of the Social Security Act (Medicaid) who will be providing appropriate services and supports directly to residents. In many states, this is the same agency, so the NOFA will refer to the ''State Health and Human Services/Medicaid Agency''. This Section 811 PRA program is designed to develop and support sustainable partnerships with state housing agencies and State Health and Human Services/Medicaid agencies that will result in long-term strategies to provide permanent affordable rental housing for people with disabilities receiving assistance under Title XIX of the Social Security Act or other individuals with disabilities receiving comparable long-term services and supports in the community. The application deadline date is 11:59:59 p.m. on May 5, 2014. Applications must be received by Grants.gov no later than 11:59:59 p.m. eastern time on the application deadline date. Approximately $100 million is available in FY 2013 and approximately $20 million in FY 2014, totaling $120 million in funding. Additional funding may be available based on carry-over funds from prior years.

Dated: March 4, 2014.

**Anne M. Morillon,**

*Director, Grants Management and Oversight Division, Office of Strategic Planning and Management.*

[FR Doc. 2014–05096 Filed 3–7–14; 8:45 am]

**BILLING CODE 4210–67–P**

## INTERNATIONAL TRADE COMMISSION

**[Investigation No. 337–TA–837]**

### Certain Audiovisual Components and Products Containing the Same; Commission Determination To Grant the Motions to Partially Terminate the Investigation as to All Claims Relating to U.S. Patent Nos. 5,780,087, 6,982,663, and 6,707,867; Final Determination of No Violation With Respect to U.S. Patent No. 6,452,958; Termination of the Investigation

**AGENCY:** U.S. International Trade Commission.

**ACTION:** Notice.

**SUMMARY:** Notice is hereby given that the U.S. International Trade Commission has determined to grant the joint motion to partially terminate the investigation as to U.S. Patent Nos. 5,780,087 (''the '087 patent'') and 6,982,663 (''the '663 patent'') based upon a settlement agreement. The Commission has also determined to terminate the investigation as to expired U.S. Patent No. 6,707,867 (''the '867 patent'') and to take no position on the findings as to the same. The Commission has further determined that no violation of section 337 has been proven with respect to U.S. Patent No. 6,452,958 (''the '958 patent''). The investigation is terminated.

**FOR FURTHER INFORMATION CONTACT:** Cathy Chen, 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 (*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 April 11, 2012, based on a complaint filed by complainants LSI Corporation of Milpitas, California, and Agere Systems Inc. of Allentown, Pennsylvania (collectively, ''LSI''). 77 FR 22803 (Apr. 11, 2012). The complaint, as amended, 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 audiovisual components and products containing the same by reason of infringement of certain claims of the '087, '958, '867, and '663 patents. The Commission's notice of investigation named several respondents, including Realtek Semiconductor Corporation of Hsinchu, Taiwan (''Realtek''); Funai Corporation, Inc. of Rutherford, New Jersey; Funai Electric Co., Ltd. of Osaka, Japan; P&F USA, Inc. of Alpharetta, Georgia; and Funai Service Corporation of Groveport, Ohio (collectively, ''Funai''). Other respondents and certain patent claims were terminated from the investigation previously. No Commission investigative attorney is participating in the investigation.

The ALJ issued his final initial determination (''ID'') with respect to the remaining respondents and claims on July 18, 2013. The ALJ found that a violation of section 337 had been proven with respect to claims 1, 5, 7–11, and 16 of the '087 patent. The ALJ found no violation of section 337 had been proven with respect to any asserted claims of the '958, '867, and '663 patents. On July 31, 2013, the ALJ issued a recommended determination (''RD'') on remedy and bonding.

On October 17, 2013, the Commission determined to review the final ID in its entirety and requested additional briefing from the parties on certain issues. The Commission also solicited briefing from the parties and from the public on the issues of remedy, the public interest, and bonding. On November 1, 2013, the parties filed briefs addressing the Commission's questions and the issues of remedy, the public interest, and bonding. Also on November 1, 2013, non-parties Barnes & Noble, Inc.; InterDigital, Inc.; Intel Corporation; and Cisco Systems, Inc. filed comments on the public interest. On November 12, 2013, the parties filed reply briefs in connection with the Commission's notice.

On January 17, 2014, complainants and respondent Funai jointly filed a motion to partially terminate the investigation as to all claims relating to the '087 and the '663 patents based on a settlement agreement. Respondent Realtek, which was not accused of violating section 337 in regard to the '087 and the '663 patents, did not file a response.

On February 6, 2014, complainants filed a motion to partially terminate the investigation as to the '867 patent and to vacate the ALJ's determination as to same due to the imminent expiration of that patent on February 23, 2014. Respondents opposed vacatur on February 12, 2014.

Having examined the record of this investigation, the Commission has determined to grant the joint motion to partially terminate the investigation as to the '087 and the '663 patents based on a settlement agreement. We find no indication that termination of the investigation with respect to these patents based on settlement will adversely impact the public interest.

With respect to the '867 patent, because the Commission grants prospective relief only, when the '867 patent expired on February 23, 2014, the investigation concerning the '867 patent became moot. Therefore, the Commission has determined to take no position on the final ID's findings pertaining to the '867 patent. *See Beloit Corp.* v. *Valmet Oy,* 742 F.2d 1421, 1423 (Fed. Cir. 1984).

With respect to the remaining asserted patent—the '958 patent—the Commission has determined that no violation of section 337 has been proven based on the record of this investigation. Specifically, the Commission affirms the ID's finding that the accused articles were not proven to infringe the asserted claims of the '958 patent. In addition, the Commission reverses the ALJ's determination that the asserted '958 claims were not proven invalid. The Commission has also determined to take no position on the ALJ's determination with respect to the Respondents' RAND and equitable defenses. *See Beloit Corp.,* 742 F.2d at 1423.

Furthermore, the Commission has determined that complainants have not proven the existence of a domestic industry with respect to the '958 patent. The Commission affirms the ALJ's finding that the Nokia domestic industry articles were not shown to practice the claims of the '958 patent and, therefore, complainants did not prove a domestic industry under 19 U.S.C. 1337(a)(3)(A)–(B). Because complainants have not demonstrated the existence of an article protected by the '958 patent, the Commission has also determined to reverse the ALJ's finding that a domestic industry exists pursuant to 19 U.S.C. 1337(a)(3)(C) through complainants' licensing activities. *See Certain Computers and Computer Peripheral Devices, and Components Thereof, and Products Containing Same,* Inv. No. 337–TA–841, Comm'n Op. at 32 (Jan. 9, 2014).

A Commission opinion will be forthcoming.

The Commission has terminated this investigation. 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: March 4, 2014.

**Lisa R. Barton,**

*Acting Secretary to the Commission.*

[FR Doc. 2014–05072 Filed 3–7–14; 8:45 am]

**BILLING CODE 7020–02–P**

## JUDICIAL CONFERENCE OF THE UNITED STATES

### Meeting of the Judicial Conference Committee on Rules of Practice and Procedure

**AGENCY:** Judicial Conference of the United States Advisory Committee on Rules of Civil Procedure.

**ACTION:** Notice of Open Meeting.

**SUMMARY:** The Advisory Committee on Rules of Civil Procedure will hold a two-day meeting. The meeting will be open to public observation but not participation.

**DATES:** April 10–11, 2014.

**TIME:** 8:30 a.m. to 5:00 p.m.

**ADDRESSES:** Lewis & Clark Law School, 10015 SW. Terwilliger Blvd., Portland, OR 97219.

**FOR FURTHER INFORMATION CONTACT:** Jonathan C. Rose, Secretary and Chief Rules Officer, Rules Committee Support Office, Administrative Office of the United States Courts, Washington, DC 20544, telephone (202) 502–1820.

Dated: March 5, 2014.

**Jonathan C. Rose,**

*Secretary and Chief Rules Officer.*

[FR Doc. 2014–05134 Filed 3–7–14; 8:45 am]

**BILLING CODE 2210–55–P**

## DEPARTMENT OF JUSTICE

### Office of Justice Programs

**[OJP (NIJ) Docket No. 1649]**

### Selection and Application Guide to Ballistic-Resistant Body Armor for Law Enforcement, Corrections and Public Safety (NIJ Selection and Application Guide-0101.06)

**AGENCY:** National Institute of Justice, DOJ.

**ACTION:** Notice and Request for Comments

**SUMMARY:** In an effort to obtain comments from interested parties, the U.S. Department of Justice, Office of Justice Programs, National Institute of Justice (NIJ) will make available to the general public the draft *Selection and Application Guide to Ballistic-Resistant Body Armor: For Law Enforcement, Corrections and Public Safety.* The opportunity to provide comments on these documents is open to industry technical representatives, law enforcement agencies and organizations, research, development and scientific communities, and all other stakeholders and interested parties. Those individuals wishing to obtain and provide comments on the draft documents under consideration are directed to the following Web site: *https://www.justnet.org/body_armor/SAGPC.html*

**DATES:** Comments will be accepted through 11:59 p.m. E.T. on March 25, 2014.

**FOR FURTHER INFORMATION CONTACT:** Daniel Longhurst, by telephone at 202–616–3857, or by email at *Daniel.A.Longhurst@usdoj.gov*

**Gregory K. Ridgeway,**

*Acting Director, National Institute of Justice.*

[FR Doc. 2014–05028 Filed 3–7–14; 8:45 am]

**BILLING CODE 4410–18–P**

## DEPARTMENT OF LABOR

### Office of the Secretary

### Agency Information Collection Activities; Submission for OMB Review; Comment Request; Transit Worker Protections Under Federal Transit Act Section 5333(b) Urban Program

**ACTION:** Notice.

**SUMMARY:** The Department of Labor (DOL) is submitting the Office of Labor Management Standards (OLMS) sponsored information collection request (ICR) titled, ''Transit Worker Protections under Federal Transit Act Section 5333(b) Urban Program,'' to the Office of Management and Budget (OMB) for review and approval for continued use, without change, in accordance with the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. 3501 et seq.

**DATES:** Submit comments on or before April 9, 2014.

**ADDRESSES:** A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref__nbr=201309-1245-002* (this link will only become active on the day following publication of this notice) or by contacting Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL__PRA__PUBLIC@dol.gov*.

Submit comments about this request by mail or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–OLMS, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–6881 (this is not a toll-free number); or by email: *OIRA__submission@omb.eop.gov*. Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor-OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210; or by email: *DOL__PRA_PUBLIC@dol.gov*.

**FOR FURTHER INFORMATION CONTACT:** Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL__PRA__PUBLIC@dol.gov*.

**Authority:** 44 U.S.C. 3507(a)(1)(D).

**SUPPLEMENTARY INFORMATION:** This ICR seeks to extend PRA authorization for the information collection requirements needed for the OLMS to administer Federal Transit Act section 5333(b) Urban Program worker protections. *See* 49 U.S.C. 5333(b). Section 5333(b) provides that the DOL must ensure that a recipient of Federal funds used to acquire, improve, or operate a transit system establishes arrangements to protect the rights of affected transit employees. Federal law requires such an arrangement to be fair and equitable, and the DOL must certify the arrangement before the U.S. Department of Transportation, Federal Transit Administration (FTA) can award certain funds to grantees. An employee protective arrangement must include provisions that may be necessary for the preservation of rights, privileges, and benefits under existing collective bargaining agreements or otherwise; the continuation of collective bargaining rights; the protection of individual employees against a worsening of their positions related to employment; assurances of employment to employees of acquired transportation systems; assurances of priority of reemployment of employees whose employment is ended or who are laid off; and paid training or retraining programs. *See* 49 U.S.C. 5333(b)(2).

Pursuant to regulations 29 CFR part 215, upon receipt of copies of applications for Federal assistance subject to 49 U.S.C. 5333(b) from the FTA, together with a request for DOL certification of employee protective arrangements, the DOL will process those applications, which must be in final form. The FTA will provide the DOL with information necessary to enable the DOL to process employee protections for certification of the project.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the OMB under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. *See* 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1245–0006.

OMB authorization for an ICR cannot be for more than three (3) years without

renewal, and the current approval for this collection is scheduled to expire on March 31, 2014. The DOL seeks to extend PRA authorization for this information collection for three (3) more years, without any change to existing requirements. The DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on November 26, 2014 (78 FR 70584).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section within 30 days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1245–0006. The OMB is particularly interested in comments that:

- 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
- 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.

*Agency:* DOL–OLMS.

*Title of Collection:* Transit Worker Protections under Federal Transit Act Section 5333(b) Urban Program.

*OMB Control Number:* 1245–0006.

*Affected Public:* State, Local, and Tribal Governments.

*Total Estimated Number of Respondents:* 2,294.

*Total Estimated Number of Responses:* 2,294.

*Total Estimated Annual Time Burden:* 18,352 hours.

*Total Estimated Annual Other Costs Burden:* $0.

Dated: February 11, 2014.

**Michel Smyth,**

*Departmental Clearance Officer.*

[FR Doc. 2014–05025 Filed 3–7–14; 8:45 am]

**BILLING CODE 4510–CP–P**

## DEPARTMENT OF LABOR

### Employee Benefits Security Administration

### 170th Meeting of the Advisory Council on Employee Welfare and Pension Benefit Plans; Notice of Meeting

Pursuant to the authority contained in Section 512 of the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. 1142, the 170th open meeting of the Advisory Council on Employee Welfare and Pension Benefit Plans (also known as the ERISA Advisory Council) will be held on March 26, 2014.

The meeting will take place in Room S–2508, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210. The purpose of the open meeting, which will run from 1:30 p.m. to approximately 4:30 p.m. Eastern Standard Time, is to welcome the new members, introduce the Council Chair and Vice Chair, receive an update from the Assistant Secretary of Labor for the Employee Benefits Security Administration, and determine the topics to be addressed by the Council in 2014.

Organizations or members of the public wishing to submit a written statement may do so by submitting 30 copies on or before March 18, 2014 to Larry Good, Executive Secretary, ERISA Advisory Council, U.S. Department of Labor, Suite N–5623, 200 Constitution Avenue NW., Washington, DC 20210. Statements also may be submitted as email attachments in text or pdf format transmitted to *good.larry@dol.gov*. It is requested that statements not be included in the body of the email. Relevant statements received on or before March 18, 2014 will be included in the record of the meeting. No deletions, modifications, or redactions will be made to the statements received, as they are public records.

Individuals or representatives of organizations wishing to address the Advisory Council should forward their requests to the Executive Secretary or telephone (202) 693–8668. Oral presentations will be limited to ten minutes, time permitting, but an extended statement may be submitted for the record. Individuals with disabilities who need special accommodations, or others who need special accommodations, should contact the Executive Secretary by March 18.

Signed at Washington, DC, this 25th day of February, 2014.

**Phyllis C. Borzi,**

*Assistant Secretary, Employee Benefits Security Administration.*

[FR Doc. 2014–05033 Filed 3–7–14; 8:45 am]

**BILLING CODE 4510–29–P**

## DEPARTMENT OF LABOR

### Wage and Hour Division

**RIN 1235–0006**

### Proposed Extension of the Approval of Information Collection Requirements—Housing Occupancy Certificates Under the Migrant and Seasonal Agricultural Worker Protection Act

**AGENCY:** Wage and Hour Division, Department of Labor.

**ACTION:** Notice.

**SUMMARY:** The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden, conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95). 44 U.S.C. 3056(c)(2)(A). This program helps to ensure 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 Wage and Hour Division is soliciting comments concerning its proposal to extend Office of Management and Budget (OMB) approval of the Information Collection: Housing Occupancy Certificate—Migrant and Seasonal Agricultural Worker Protection Act. A copy of the proposed information request can be obtained by contacting the office listed below in the **FOR FURTHER INFORMATION CONTACT** section of this Notice.

**DATES:** Written comments must be submitted to the office listed in the **ADDRESSES** section below on or before May 9, 2014.

**ADDRESSES:** You may submit comments identified by Control Number 1235–0006, by either one of the following methods: *Email: WHDPRAComments@dol.gov; Mail, Hand Delivery, Courier:* Division of Regulations, Legislation, and Interpretation, Wage and Hour, U.S. Department of Labor, Room S–3502, 200 Constitution Avenue NW., Washington, DC 20210. *Instructions:* Please submit

one copy of your comments by only one method. All submissions received must include the agency name and Control Number identified above for this information collection. Because we continue to experience delays in receiving mail in the Washington, DC area, commenters are strongly encouraged to transmit their comments electronically via email or to submit them by mail early. Comments, including any personal information provided, become a matter of public record. They will also be summarized and/or included in the request for OMB approval of the information collection request.

**FOR FURTHER INFORMATION CONTACT:** Mary Ziegler, Director, Division of Regulations, Legislation, and Interpretation, Wage and Hour, U.S. Department of Labor, Room S–3502, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–0406 (this is not a toll-free number). Copies of this notice may be obtained in alternative formats (Large Print, Braille, Audio Tape, or Disc), upon request, by calling (202) 693–0023 (not a toll-free number). TTY/TTD callers may dial toll-free (877) 889–5627 to obtain information or request materials in alternative formats.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Wage and Hour Division (WHD) of the Department of Labor (DOL) administers the Migrant and Seasonal Agricultural Worker Protection Act (MSPA), 29 U.S.C. 1801 *et seq.* The MSPA protects migrant and seasonal agricultural workers by establishing employment standards related to wages, housing, transportation, disclosures, and recordkeeping. The MSPA also requires farm labor contractors and farm labor contractor employees to register with the U.S. Department of Labor and to obtain special authorization before housing, transporting, or driving covered workers. The MSPA requires that any person owning or controlling any facility or real property to be used for housing migrant agricultural workers shall not permit such housing to be occupied by any worker unless copy of a certificate of occupancy from the state, local or federal agency that conducted the housing safety and health inspection is posted at the site of the facility or real property. The certificate attests that the facility or real property meets applicable safety and health standards. Form WH–520 is an information gathering form and the certificate of occupancy that the Wage and Hour Division issues when it is the federal agency conducting the safety and health inspection.

**II. Review Focus**

The Department of Labor is particularly interested in comments which:

- 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;
- 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 submissions of responses.

**III. Current Actions**

The DOL seeks an approval for the extension of this information collection that requires any person owning or controlling any facility or real property to be occupied by migrant agricultural workers to obtain a certificate of occupancy.

*Type of Review:* Extension.

*Agency:* Wage and Hour Division.

*Title:* Housing Occupancy Certificate—Migrant and Seasonal Agricultural Worker Protection Act.

*OMB Number:* 1235–0006

*Affected Public:* Business or other for-profit, Not-for-profit institutions, Farms.

*Total Respondents:* 100

*Total Annual Responses:* 100

*Estimated Total Burden Hours:* 7

*Estimated Time per Response:* 3–4 minutes

*Frequency:* Annual.

*Total Burden Cost (capital/startup):* $0

*Total Burden Costs (operation/maintenance):* $0

Dated: March 4, 2014.

**Mary Ziegler,**

*Director, Division of Regulations, Legislation, and Interpretation.*

[FR Doc. 2014–04975 Filed 3–7–14; 8:45 am]

**BILLING CODE 4510–27–P**

## MISSISSIPPI RIVER COMMISSION

### Sunshine Act Meetings Notice

**AGENCY HOLDING THE MEETINGS:** Mississippi River Commission

**TIME AND DATE:** 9:00 a.m., April 7, 2014.

**PLACE:** On board MISSISSIPPI V at Riverfront Park, Tiptonville, Tennessee

**STATUS:** Open to the public.

**MATTERS TO BE CONSIDERED:** (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Memphis District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

**TIME AND DATE:** 9:00 a.m., April 8, 2014.

**PLACE:** On board MISSISSIPPI V at Helena Harbor Boat Ramp, Helena, Arkansas.

**STATUS:** Open to the public.

**MATTERS TO BE CONSIDERED:** (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Memphis District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

**TIME AND DATE:** 9:00 a.m., April 9, 2014.

**PLACE:** On board MISSISSIPPI V at City Front, Greenville, Mississippi.

**STATUS:** Open to the public.

**MATTERS TO BE CONSIDERED:** (1) Summary report by President of the Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the Vicksburg District; and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

**TIME AND DATE:** 9:00 a.m., April 11, 2014.

**PLACE:** On board MISSISSIPPI V at Thalia Street Wharf, Port of New Orleans, New Orleans, Louisiana.

**STATUS:** Open to the public.

**MATTERS TO BE CONSIDERED:** (1) Summary report by President of the

Commission on national and regional issues affecting the U.S. Army Corps of Engineers and Commission programs and projects on the Mississippi River and its tributaries; (2) District Commander's overview of current project issues within the New Orleans District, and (3) Presentations by local organizations and members of the public giving views or comments on any issue affecting the programs or projects of the Commission and the Corps of Engineers.

**CONTACT PERSON FOR MORE INFORMATION:** Mr. Timothy S. Gambrell, telephone 601–634–5766.

**Timothy S. Gambrell,**

*Director, Mississippi River Commission.*

[FR Doc. 2014–05209 Filed 3–6–14; 4:15 pm]

**BILLING CODE 3720–58–P**

## NUCLEAR REGULATORY COMMISSION

**[NRC–2014–0002]**

## Emergency Planning Exemption Requests For Decommissioning Nuclear Power Plants

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Draft interim staff guidance; request for extension of comment period.

**SUMMARY:** On January 10, 2014, the U.S. Nuclear Regulatory Commission (NRC) published a request for public comment on draft Interim Staff Guidance (ISG) NSIR/DPR–ISG–02, ''Emergency Planning Exemption Requests for Decommissioning Nuclear Power Plants.'' The public comment period was originally scheduled to close on March 11, 2014. The NRC has decided to extend the public comment period on this document to allow more time for members of the public to develop and submit their comments.

**DATES:** Comments must be filed no later than April 10, 2014. 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 on or 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–2014–0002. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov*. For technical questions, contact the individual(s) listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

• *Mail comments to:* Cindy Bladey, Chief, Rules, Announcements, and Directives Branch (RADB), Office of Administration, Mail Stop: 3WFN–06–44M, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

For additional direction on accessing information and submitting comments, see ''Accessing Information and Submitting Comments'' in the **SUPPLEMENTARY INFORMATION** section of this document.

**FOR FURTHER INFORMATION CONTACT:** Michael Wasem, telephone: 301–287–3793, email: *michael.wasem@nrc.gov;* or Michael Norris, telephone: 301–287–3754, email: *michael.norris@nrc.gov*. Both of the Office of Nuclear Security and Incident Response, U.S. Nuclear Regulatory Commission, Washington DC 20555–0001.

**SUPPLEMENTARY INFORMATION:**

### I. Accessing Information and Submitting Comments

*A. Accessing Information*

Please refer to Docket ID NRC–2014–0002 when contacting the NRC about the availability of information regarding this document. You may access publicly-available information related to this document by any of the following methods:

• *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2014–0002.

• *NRC's Agencywide Documents Access and Management System (ADAMS):* You may access publicly available documents online in the NRC Library 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 NSIR/DPR–ISG–02, ''Emergency Planning Exemption Requests for Decommissioning Nuclear Power Plants,'' is available in ADAMS under accession no. ML13304B442.

• *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–2014–0002 in the subject line of your comment submission, in order to ensure that the NRC is able to make your comment submission available to the public in this docket.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in you 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 submissions into ADAMS.

### II. Further Information

On January 10, 2014 (79 FR 1900), the NRC published a request for public comment on draft NSIR/DPR–ISG–02, ''Emergency Planning Exemption Requests for Decommissioning Nuclear Power Plants.'' This document is being developed to assist NRC staff in the review of requests for exemptions from specific emergency preparedness regulations and license amendments for defueled station emergency plans submitted by nuclear power plant licensees after permanent cessation of plant operations.

The public comment period was originally scheduled to close on March 11, 2014. By letter dated February 20, 2014, the Nuclear Energy Institute requested a 30-day extension to the public comment period. Additional time was requested in order to incorporate comments that might result from the NRC's public meeting scheduled for March 6, 2014, concerning NSIR/DPR–ISG–02. The NRC has decided to extend the public comment period on this document to allow more time for members of the public to use information from the March 6, 2014, public meeting to develop their comments. The deadline for submitting comments will be extended to April 10, 2014.

Dated at Rockville, Maryland, this 28th day of February 2014.

For the Nuclear Regulatory Commission.

**Joseph Anderson,**

*Acting Director, Division of Preparedness and Response, Office of Nuclear Security and Incident Response.*

[FR Doc. 2014–05105 Filed 3–7–14; 8:45 am]

**BILLING CODE 7590–01–P**

## NUCLEAR REGULATORY COMMISSION

**[NRC–2014–0001]**

### Sunshine Act Meeting Notice

**DATE:** Weeks of March 10, 17, 24, 31, April 7, 14, 2014.

**PLACE:** Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

**STATUS:** Public and Closed.

**Week of March 10, 2014**

There are no meetings scheduled for the week of March 10, 2014.

**Week of March 17, 2014—Tentative**

Friday, March 21, 2014

1:00 p.m. Briefing on Waste Confidence Rulemaking (Public Meeting) (Contact: Andrew Imboden, 301–287–9220)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/.*

**Week of March 24, 2014—Tentative**

There are no meetings scheduled for the week of March 24, 2014.

**Week of March 31, 2014—Tentative**

There are no meetings scheduled for the week of March 31, 2014.

**Week of April 7, 2014—Tentative**

Thursday, April 10, 2014

9:00 a.m. Meeting with Organization of Agreement States (OAS) and Conference of Radiation Control Program Directors (CRCPD) (Public Meeting) (Contact: Cindy Flannery, 301–415–0223)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/.*

**Week of April 14, 2014—Tentative**

There are no meetings scheduled for the week of April 14, 2014.

* * * * *

**Additional Information**

The Briefing on Human Reliability Program Activities and Analyses scheduled on March 3, 2014, was postponed.

* * * * *

The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings, call (recording)—301–415–1292. Contact person for more information: Rochelle Bavol, 301–415–1651.

* * * * *

The NRC Commission Meeting Schedule can be found on the Internet at: *http://www.nrc.gov/public-involve/public-meetings/schedule.html.*

* * * * *

The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in these public meetings, or need this meeting notice or the transcript or other information from the public meetings in another format (e.g. braille, large print), please notify Kimberly Meyer, NRC Disability Program Manager, at 301–287–0727, or by email at *Kimberly.Meyer-Chambers@nrc.gov.* Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

* * * * *

Members of the public may request to receive this information electronically. If you would like to be added to the distribution, please contact the Office of the Secretary, Washington, DC 20555 (301–415–1969), or send an email to *Darlene.Wright@nrc.gov.*

Dated: March 6, 2014.

**Rochelle Bavol,**

*Policy Coordinator, Office of the Secretary.*

[FR Doc. 2014–05221 Filed 3–6–14; 4:15 pm]

**BILLING CODE 7590–01–P**

## PRIVACY AND CIVIL LIBERTIES OVERSIGHT BOARD

**[Notice-PCLOB–2014–02; Docket No. 2014–0001; Sequence No. 2]**

### Notice of Public Hearing

**AGENCY:** Privacy and Civil Liberties Oversight Board.

**ACTION:** Public Hearing notice.

**SUMMARY:** The Privacy and Civil Liberties Oversight Board (PCLOB) will conduct a public hearing to continue the PCLOB's study of the federal government's surveillance program. The meeting is open to the public.

**DATES:** March 19, 2014, 9:00 a.m.–4:30 p.m. Eastern Standard Time.

**FOR FURTHER INFORMATION CONTACT:** Ms. Susan Reingold, Chief Management Officer, at 202–331–1986.

**SUPPLEMENTARY INFORMATION:** The public hearing meeting is scheduled for March 19, 2014, beginning at 9:00 a.m. and ending at 4:30 p.m. Eastern Standard Time. Location: Mayflower Hotel, 1127 Connecticut Avenue NW., Washington, DC 20036.

*Matters To Be Considered:* The Privacy and Civil Liberties Oversight Board (PCLOB) will conduct a public hearing to continue the PCLOB's study of the federal government's surveillance program operated pursuant to Section 702 of the Foreign Intelligence Surveillance Act, 50 U.S.C. § 1881a. The Board will evaluate both legal and policy issues concerning operation of the program, and consider recommendations to ensure that U.S. government counterterrorism efforts properly balance the need to protect privacy and civil liberties. Please visit the PCLOB Web site *www.pclob.gov* for the full agenda closer to the hearing date.

**Procedures for Public Observation**

The meeting is open to the public. Pre-registration is not required. Individuals who plan to attend and require special assistance should contact Ms. Susan Reingold, Chief Management Officer, at 202–331–1986, at least 72 hours prior to the meeting date.

Dated: March 4, 2014.

**Peter Winn,**

*Acting General Counsel, Privacy and Civil Liberties Oversight Board.*

[FR Doc. 2014–05047 Filed 3–7–14; 8:45 am]

**BILLING CODE 3820–B3–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71640; File No. SR–MIAX–2014–09]**

### Self-Regulatory Organizations; Miami International Securities Exchange, LLC; Notice of Filing of Proposed Rule Change to Adopt the MIAX Price Improvement Mechanism

March 4, 2014.

Pursuant to the provisions of 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 February 18, 2014, Miami International Securities Exchange LLC (''MIAX'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') a 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

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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 is filing a proposal to adopt Rule 515A to provide for a price improvement auction and a solicited order mechanism.

The text of the proposed rule change is available on the Exchange's Web site at *http://www.miaxoptions.com/filter/wotitle/rule_filing*, at MIAX's principal office, 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 adopt new Rule 515A and associated Interpretations and Policies to provide for a price improvement auction and a solicited order mechanism on the Exchange. In particular, the Exchange proposes to adopt the MIAX Price Improvement Mechanism (''PRIME'') to provide a method for market participants to effect orders in a price improvement auction. The proposed rules are similar to the rules of other exchanges that have price improvement auction mechanisms.[3] The Exchange believes that the similarity of its proposed price improvement rules to those of other exchanges will allow the Exchange's proposed price improvement functionality to fit seamlessly into the greater options market place and benefit market participants who are already familiar with similar functionality offered on other exchanges.

*PRIME Price Improvement Auction*

PRIME is a process by which a Member may electronically submit for execution (''Auction'') an order it represents as agent (''Agency Order''), and/or an Agency Order against solicited interest. A Member (the ''Initiating Member'') may initiate an Auction provided all of the following are met: (i) The Agency Order is in a class designated as eligible for PRIME as determined by the Exchange and within the designated Auction order eligibility size parameters as such size parameters are determined by the Exchange; [4] (ii) if the Agency Order is for 50 standard option contracts or 500 mini-option contracts or more, the Initiating Member must stop the entire Agency Order as principal or with a solicited order at the better of the NBBO[5] or the Agency Order's limit price (if the order is a limit order); [6] and (iii) if the Agency Order is for less than 50 standard option contracts or 500 mini-option contracts, the Initiating Member must stop the entire Agency Order as principal or with a solicited order at the better of (A) the NBBO price improved by a $0.01 increment; or (B) the Agency Order's limit price (if the order is a limit order).[7] Since the Initiating Member is stopping the entire Agency Order at the NBBO price or better at the beginning of the Auction, the Auction execution at the conclusion of the Auction will qualify as an exception to the general prohibition against Trade-Throughs, pursuant to Rule 1401(b)(9).[8] The Exchange notes that this is consistent with how the electronic price improvement auctions of other competing exchanges operate.[9]

To initiate the Auction, the Initiating Member must mark the Agency Order for Auction processing, and specify (i) a single price at which it seeks to cross the Agency Order (with principal interest and/or a solicited order) (a ''single-price submission''), including whether the Initiating Member elects to have last priority in allocation, or (ii) that it is willing to automatically match (''auto-match'') as principal the price and size of all Auction responses up to an optional designated limit price in which case the Agency Order will be stopped at the better of the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater), $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts), or the Agency Order's limit price.[10] For both single price submissions and auto-match, if the MBBO on the same side of the market as the Agency Order represents a limit order on the Book, the stop price must be at least $0.01 increment better than the booked order's limit price.[11] For both a single price submission and auto-match, the stopped price specified by the Initiating Member on the Agency Order shall be the ''initiating price'' for the Auction.[12] Thus for single price submissions, the initiating price will be the stop price which is the limit price of the single price submission. For Agency Orders where no limit price is designated (market orders), the initiating price will be the stop price which is at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts). For auto-match submissions with a designated limit price, the initiating price will be the

[3] *See* CBOE Rules 6.74A and 6.74B; ISE Rule 723.

[4] *See* Proposed Rule 515A(a)(1)(i). *See also* CBOE Rule 6.74A(a)(1).

[5] *See* Rule 100. The term ''NBBO'' means the national best bid or offer as calculated by the Exchange based on market information received by the Exchange from OPRA.

[6] *See* Proposed Rule 515A(a)(1)(ii). *See also* CBOE Rule 6.74A(a)(2). The Exchange notes that nothing in this Rule prevents an Initiating Member from choosing to stop an Agency Order better than that NBBO or the Agency Order's limit price for orders for 50 standard option contracts or 500 mini-option contracts or more. An Initiating Member may choose to stop an Agency Order better than these minimum requirements, thus guaranteeing further price improvement to the Agency Order if such Initiating Member chooses by simply designating a more aggressive price upon submission for either a single price submission or an auto-match.

[7] *See* Proposed Rule 515A(a)(1)(iii). *See also* CBOE Rule 6.74A(a)(3). The Exchange notes that nothing in this Rule prevents an Initiating Member from choosing to stop an Agency Order better than that NBBO improved by a $0.01 or the Agency Order's limit price for orders for 50 standard option contracts or 500 mini-option contracts or more. An Initiating Member may choose to stop an Agency Order better than these minimum requirements, thus guaranteeing further price improvement to the Agency Order if such Initiating Member chooses by simply designating a more aggressive price upon submission for either a single price submission or an auto-match.

[8] *See* Rule 1401(b)(9) (providing an exception from Trade-Through liability in the circumstance when a transaction that constituted the Trade-Through was the execution of an order that was stopped at a price that did not Trade-Through an Eligible Exchange at the time of the stop).

[9] *See, e.g.,* CBOE Rule 6.74A; ISE Rule 723.

[10] *See* Proposed Rule 515A(a)(2)(i)(A). *See also* CBOE Rule 6.74A(b)(1)(A). As noted above, an Initiating Member may choose to stop an Agency Order better than the minimum requirements, thus guaranteeing further price improvement to the Agency Order if such Initiating Member chooses by simply designating a more aggressive price upon submission for either a single price submission or an auto-match.

[11] *See* Proposed Rule 515A(a)(2)(i)(A). The corresponding CBOE provision is silent regarding this situation. *See* CBOE Rule 6.74A(b)(1)(A). The Exchange proposes adding this provision to enable the PRIME to work seamlessly with the Exchange's Book in a manner that would ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange. *See also* NASDAQ OMX PHLX Rule 1080(n)(ii)(A)(1).

[12] *See* Proposed Rule 515A(a)(2)(i)(A).

stop price which is the limit price designated on the Agency Order. For auto-match submissions where no limit price is designated (market orders), the initiating price will be the stop price at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts).[13] Once the Initiating Member has submitted an Agency Order for processing pursuant to proposed Rule 515A(a)(2)(i)(A), such submission may not be modified or cancelled.[14] Only one Auction may be ongoing at any given time in an option and Auctions in the same option may not queue or overlap in any manner.[15] The Exchange believes that these options afford the Initiating Member flexibility and control over the prices at which it would be willing to guarantee an Agency Order. The following examples show the options afforded to Initiating Members to specify.

*Example 1—Single Price Submission*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price [16] of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM1 @ $1.17
2. 10 contracts trade with MM4 @ $1.18
3. 20 contracts trade with the Initiating Member's Contra Order @ $1.20 (This satisfies their 40% participation guarantee)
4. 15 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 2—Single Price Submission*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 100 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 100 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 100 at $1.20
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.22
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM1 @ $1.17
2. 55 contracts trade with MM4 @ $1.20
3. 40 contracts trade with the Initiating Member's Contra Order @ $1.20 (This fills the entire Agency Order and satisfies their 40% participation guarantee)

*Example 3—Single Price Submission, Less Than 50 Contracts*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 30 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 30 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 5 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 10 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM1 @ $1.17
2. 5 contracts trade with MM4 @ $1.18
3. 12 contracts trade with the Initiating Member's Contra Order @ $1.20 (This satisfies their 40% participation guarantee)
4. 8 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 4—Single Price Submission, Initiating Member Elects Last Priority in Allocation*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20, electing last priority in allocation
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM1 @ $1.17
2. 10 contracts trade with MM4 @ $1.18
3. 35 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order and the Contra Order does not receive an execution)

*Example 5—Auto-Match*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15-$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.24
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.24 (Auction Starts)
- @ 150 milliseconds MM2 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM2 @ $1.17
2. 5 contracts trade with Contra Order @ $1.17 (due to auto-match)

---

[13] *See* Proposed Rule 515A(a)(2)(i)(A). *See also* CBOE Rule 6.74A(b)(1)(A).

[14] *See* Proposed Rule 515A(a)(2)(i)(A). *See also* CBOE Rule 6.74A(b)(1)(A).

[15] *See* Proposed Rule 515A(a)(2). *See also* CBOE Rule 6.74A(b).

[16] The ''initiating price'' is the stop price of the Agency Order. Thus for single price submissions, the initiating price will be the stop price which is the limit price of the single price submission. For Agency Orders where no limit price is designated (market orders), the initiating price will be the stop price which is at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts). For auto-match submissions with a designated limit price, the initiating price will be the stop price which is the limit price designated on the Agency Order. For auto-match submissions where no limit price is designated (market orders), the initiating price will be the stop price at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts). *See* Proposed Rule 515A(a)(2)(i)(A). *See also* CBOE Rule 6.74A(b)(1)(A).

3. 10 contracts trade with MM4 @ $1.18
4. 10 contracts trade with Contra Order @ $1.18 (due to auto-match)
5. 8 contracts trade with Contra Order @ $1.20 (due to auto-match of 40% of the remainder of the order participation guarantee)
6. 12 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 6—Auto-Match, Agency Order Entered Without a Limit Price*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts without a limit price
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.25 (Auction Starts)
- @ 150 milliseconds MM2 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM2 @ $1.17
2. 5 contracts trade with Contra Order @ $1.17 (due to auto-match)
3. 10 contracts trade with MM4 @ $1.18
4. 10 contracts trade with Contra Order @ $1.18 (due to auto-match)
5. 8 contracts trade with Contra Order @ $1.20 (due to auto-match of 40% of the remainder of the order participation guarantee)
6. 12 contracts trade with with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 7—Auto-Match, Agency Order Entered Without a Limit Price, Less Than 50 Contracts*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts without a limit price
Initiating Member's Contra Order selling 30 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.24 (Auction Starts)
- @ 150 milliseconds MM2 response received, AOC eQuote to Sell 5 at $1.17
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 5 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 30 at $1.20
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:

1. 5 contracts trade with MM2 @ $1.17
2. 5 contracts trade with Contra Order @ $1.17 (due to auto-match)
3. 5 contracts trade with MM4 @ $1.18
4. 5 contracts trade with Contra Order @ $1.18 (due to auto-match)
5. 4 contracts trade with Contra Order @ $1.20 (due to auto-match of 40% of the remainder of the order participation guarantee)
6. 6 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

When the Exchange receives a properly designated Agency Order for Auction processing, a Request for Responses (''RFR'') detailing the option, side, size, and initiating price will be sent to all subscribers of the Exchange's data feeds.[17] The Exchange believes that including this level of detail in each RFR may lead to better prices for the Agency Order. The RFR will last for 500 milliseconds.[18] The Exchange believes that the 500 millisecond duration of the RFR would provide Members with sufficient time to submit RFR responses and would encourage competition among participants, thereby enhancing the potential for price improvement for the Agency Order.[19] Members may submit responses to the RFR (specifying prices and sizes). RFR responses shall be an Auction or Cancel (''AOC'') order or an AOC eQuote.[20] Such responses cannot cross the disseminated MBBO[21] on the opposite side of the market from the response.[22] RFR responses shall not be visible to other Auction participants, and shall not be disseminated to OPRA.[23] The minimum price increment for RFR responses and for the Initiating Member's submission shall be $0.01 increment, regardless if the class trades in another price increment.[24] An RFR response with a size greater than the size of the Agency Order will be capped at the size of the Agency Order for

[17] *See* Proposed Rule 515A(a)(2)(i)(B). The Exchange will include the RFR from the auction mechanisms in the Exchange's data feeds at no incremental cost to subscribers. Thus, any subscriber that chooses to receive options data, including any Member subscriber, has the ability to respond to those RFRs. The proposed RFR differs from CBOE which only disseminates side and size to Trading Permit Holders that have elected to receive RFRs. *See* CBOE Rule 6.74A(b)(1)(B).

[18] *See* Proposed Rule 515A(a)(2)(i)(C). The RFR response time during price improvement auctions varies from exchange to exchange. While the BOX Options RFR response period is as short as 100 milliseconds, the CBOE RFR response period lasts for one second and the ISE exposure time lasts for 500 milliseconds. *See* CBOE Rule 6.74A(b)(1)(C); ISE Rule 723(c)(1); BOX Options Rule 7150(f)(1).

[19] In February 2014, to determine whether the proposed duration of the RFR would provide sufficient time to enter a RFR response, the Exchange asked Members, including Market Makers, whether their firms ''could respond to an Auction with a duration of 500 milliseconds.'' Of the 8 Members that responded to the question, 100% indicated that their firm could respond in this time frame. Thus, the Exchange believes that the proposed duration for the RFR of 500 milliseconds, would provide a meaningful opportunity for participants on MIAX to respond to a RFR while at the same time facilitating the prompt execution of orders.

[20] *See* Proposed Rule 515A(a)(2)(i)(D). An ''AOC order'' is a limit order used to provide liquidity during a specific Exchange process (such as the Opening Imbalance process described in Rule 503) with a time in force that corresponds with that event. AOC orders are not displayed to any market participant, are not included in the MBBO and therefore are not eligible for trading outside of the event, may not be routed, and may not trade at a price inferior to the away markets. *See* Rule 516(b)(4). An ''AOC eQuote'' is a quote submitted by a Market Maker to provide liquidity in a specific Exchange process (such as the Opening Imbalance Process described in Rule 503) with a time in force that corresponds with the duration of that event and will automatically expire at the end of that event. AOC eQuotes are not displayed to any market participant, are not included in the MBBO and therefore are not eligible for trading outside of the event. An AOC eQuote does not automatically cancel or replace the Market Maker's previous Standard quote or eQuote. *See* Rule 517(a)(2)(ii). The Exchange notes that any orders or quotes received by the System during the Auction that are not AOC orders or AOC eQuotes will be treated as unrelated trading interest. In addition, the Exchange notes that an AOC order or an AOC eQuote could trade at a price inferior to the away market if it is a part of an exempt transaction. *See* Rule 1402.

AOC orders are available to all market participants on MIAX; thus enabling all market participants with the ability to participate in the PRIME. As mentioned below, in contrast to CBOE which limits responses to only market makers assigned to the relevant options class, any MIAX Member may respond to the RFR in the PRIME. *See* CBOE Rule 6.74A(b)(1)(D). In addition, the Exchange does not propose to limit responses to Members acting as agent to orders resting at the top of the Exchange's Book opposite the Agency Order like CBOE. Instead, any MIAX Member acting as agent for orders may respond to the RFR in the PRIME. *See* Proposed Rule 515A(a)(2)(i)(D). *See* CBOE Rule 6.74A(b)(1)(E).

[21] The term ''MBBO'' means the best bid or offer on the Exchange. *See* Rule 100.

[22] *See* Proposed Rule 515A(a)(2)(i)(D). In contrast to CBOE which limits responses to only market makers assigned to the relevant options class, any MIAX Member may respond to the RFR in the PRIME. *See also* CBOE Rule 6.74A(b)(1)(D). In addition, the Exchange does not propose to limit responses to Members acting as agent to orders resting at the top of the Exchange's Book opposite the Agency Order like CBOE. Instead, any MIAX Member acting as agent for orders may respond to the RFR in the PRIME. *See* Proposed Rule 515A(a)(2)(i). *See* CBOE Rule 6.74A(b)(1)(E).

[23] *See* Proposed Rule 515A(a)(2)(i)(E). In contrast to CBOE which is silent on the pricing increment that is available for non-single price submissions, the Exchange proposes that the Initiating Member's submission whether single price or auto-match shall have a minimum price increment of $0.01. *See also* CBOE Rule 6.74A(b)(1)(F).

[24] *See* Proposed Rule 515A(a)(2)(i)(F). *See also* CBOE Rule 6.74A(b)(1)(G).

allocation purposes.[25] RFR responses may be cancelled.[26]

The PRIME Auction is designed to work seamlessly with the Exchange's Book and is designed to maintain priority of all resting quotes and orders and any RFR responses received before the conclusion of the Auction. The PRIME will conclude early, before the end of the RFR period, as a result of certain events that would otherwise disrupt the priority of the Auction within the Book. The Exchange notes that this is consistent with how the electronic price improvement auctions of other competing exchanges operate.[27] Specifically, the Auction shall conclude at the sooner of the following: (i) The end of the RFR period; (ii) upon receipt by the System of an unrelated order (in the same option as the Agency Order) on the same side or opposite side of the market from the RFR responses, that is marketable against either the MBBO (when such quote is the NBBO) or the RFR responses; (iii) upon receipt by the System of an unrelated limit order (in the same option as the Agency Order and on the opposite side of the market from the Agency Order) that improves any RFR response; (iv) any time an RFR response matches the MBBO on the opposite side of the market from the RFR responses; (v) any time there is a quote lock in the subject option on the Exchange pursuant to Rule 1402; or (vi) any time there is a trading halt in the option on the Exchange.[28]

*Priority and Allocation of Orders and Quotes*

The priority of allocation at the conclusion of a PRIME Auction, described below, will be similar to the standard allocation of orders and quotes on MIAX. Current MIAX Rule 514 provides the priority of allocation of order and quotes on the Exchange. Under the pro-rata allocation method, resting quotes and orders on the Book are prioritized according to price. If there are two or more quotes or orders at the best price then the contracts are allocated proportionally according to size (in a pro-rata fashion) within each origin type. If the executed quantity cannot be evenly allocated, the remaining contracts will be distributed one at a time based upon size-time priority.[29] When the Priority Customer Overlay is in effect, the highest bid and lowest offer shall have priority except that Priority Customer Orders shall have priority over Professional Interest and all Market Maker interest at the same price. If there are two or more Priority Customer Orders for the same options at the same price, priority shall be afforded to such Priority Customer Orders in the sequence in which they are received by the System.[30] If there is other interest at the NBBO, after all Priority Customer Orders (if any) at that price have been filled, executions at that price will be first allocated to other remaining Market Maker priority quotes[31], which have not received a participation entitlement, and have precedence over Professional Interest.[32] If after all Market Maker priority quotes have been filled in accordance with Rule 514(d)(1) and there remains interest at the NBBO, executions will be allocated to all Professional Interest at that price. Professional Interest is defined in Rule 100 and includes among other interest, Market Maker non-priority quotes (as described in Rule 517(b)(1)(ii)) and Market Maker orders in both assigned and non-assigned classes.[33]

PRIME is designed to work seamlessly with the Exchange's Book in a manner that would ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange. The priority of allocation at the conclusion of a PRIME Auction will be similar to the standard allocation of orders and quotes on MIAX.[34] At the conclusion of the Auction, the Agency Order will be allocated at the best price(s) pursuant to the matching algorithm in effect for the class subject to the following:

- Such best prices include non-Auction quotes and orders.[35]
- Priority Customer orders resting on the Book before, or that are received during, the Response Time Interval and Priority Customer RFR responses shall, collectively have first priority to trade against the Agency Order. The allocation of an Agency Order against the Priority Customer orders resting in the Book, Priority Customer orders received during the Response Time Interval, and Priority Customer RFR responses shall be in the sequence in which they are received by the System.[36]
- Market Maker priority quotes and RFR responses from Market Makers with priority quotes will collectively have second priority. The allocation of

[25] *See* Proposed Rule 515A(a)(2)(i)(G). In contrast to CBOE which limits responses to only the size of the Agency Order, responses that exceed the size of the Agency Order will be treated as if they were the same size as the Agency Order for purposes of the Auction. *See* CBOE Rule 6.74A(b)(1)(H). RFR response sizes are capped at the same size of the Agency Order in order to prevent manipulation and gaming of the pro rata allocation within each origin type and price point. *See* Proposed Rules 515A(2)(iii)(C),(D). The Exchange notes that unrelated trading interest including unrelated orders, quotes, or orders on the Exchange's Book will not be subject to such a cap, since they are not considered responses to the Auction. The Exchange believes that this will help enable the Auction to work seamlessly with the Exchange's Book, by maintaining priority of all resting quotes and orders and any RFR responses received before the conclusion of the Auction while preventing the gaming of pro rata allocations by RFR responses. The Exchange notes that this is consistent with how the electronic price improvement auctions of other competing exchanges operate. *See* CBOE Rule 6.74A.

[26] *See* Proposed Rule 515A(a)(2)(i)(H). *See also* CBOE Rule 6.74A(b)(1)(I).

[27] *See* CBOE Rule 6.74A(b)(2); ISE Rule 723(c)(5).

[28] *See* Proposed Rule 515A(a)(2)(ii). *See also* CBOE Rule 6.74A(b)(2).

[29] *See* Exchange Rule 514(c)(2).

[30] *See* Exchange Rule 514(d)(1). The term ''Priority Customer'' means a person or entity that (i) is not a broker or dealer in securities, and (ii) does not place more than 390 orders in listed options per day on average during a calendar month for its own beneficial accounts(s). *See* Exchange Rule 100.

[31] To be considered a priority quote, at the time of execution, each of the following standards must be met: (A) The bid/ask differential of a Market Maker's two-sided quote pair must be valid width (no wider than the bid/ask differentials outlined in Rule 603(b)(4)); (B) the initial size of both of the Market Maker's bid and the offer must be in compliance with the requirements of Rule 604(b)(2); (C) the bid/ask differential of a Market Maker's two-sided quote pair must meet the priority quote width requirements defined in Rule 517(b)(1)(ii) for each option; and (D) either of the following are true:

1. At the time a locking or crossing quote or order enters the System, the Market Maker's two-sided quote pair must be valid width for that option and must have been resting on the Book; or

2. Immediately prior to the time the Market Maker enters a new quote that locks or crosses the MBBO, the Market Maker must have had a valid width quote already existing (i.e., exclusive of the Market Maker's new marketable quote or update) among his two-sided quotes for that option. *See* Exchange Rule 517(b)(1)(i).

[32] *See* Exchange Rule 514(e)(1).

[33] *See* Exchange Rule 514(e)(2). Specifically, the term ''Professional Interest'' means (i) an order that is for the account of a person or entity that is not a Priority Customer, or (ii) an order or non-priority quote for the account of a Market Maker. *See* Exchange Rule 100.

[34] In this regard, the proposed Rule 515A(a)(2)(iii) differs from CBOE Rule 6.74A(b)(3) which gives priority to public customers but also restricts participation in the auction to market makers appointed in the relevant option class. Since participation in the PRIME extends to all Members on MIAX, the Exchange believes that the existing priority rules that distinguish between Priority Customers, Market Makers with priority quotes, and Professional Interest is the best method to ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange.

[35] *See* Proposed Rule 515A(a)(2)(iii)(A). *See also* CBOE Rule 6.74A(b)(3)(A).

[36] *See* Proposed Rule 515A(a)(2)(iii)(B). The Exchange notes that the priority allocation in PRIME is consistent with the standard priority rules for Priority Customers in Rule 514(d)(1). In contrast to CBOE that extends priority to only public customers in the book, the Exchange gives priority to Priority Customer orders whether they were on the Book or received during the Response Time Interval. *See* CBOE Rule 6.74A(b)(3)(B).

Agency Orders against these contra sided quotes and RFR responses shall be on a size pro rata basis as defined in Rule 514(c)(2).[37]

• Professional Interest orders resting in the Book, Professional Interest orders placed in the Book during the Response Time Interval, Professional Interest quotes, and Professional Interest RFR responses will collectively have third priority.[38] The allocation of Agency Orders against these contra sided orders and RFR responses shall be on a size pro rata basis as defined in Rule 514(c)(2).[39]

• No participation entitlement shall apply to orders executed pursuant to this Rule.[40]

• If an unrelated market or marketable limit order on the opposite side of the market as the Agency Order was received during the Auction and ended the Auction, such unrelated order shall trade against the Agency Order at the midpoint of the best RFR response (or in the absence of a RFR response, the initiating price[41]) and the NBBO on the other side of the market from the RFR responses (rounded towards the disseminated quote when necessary).[42]

• If an unrelated non-marketable limit order on the opposite side of the market as the Agency Order was received during the Auction and ended the Auction, such unrelated order shall trade against the Agency Order at the midpoint of the best RFR response and the unrelated order's limit price (rounded towards the unrelated order's limit price when necessary).[43]

• Notwithstanding proposed Rule 515A(a)(2)(iii)(C), (D), if the best price equals the Initiating Member's single-price submission, the Initiating Member's single-price submission shall be allocated the greater of one contract or a certain percentage of the order, which percentage will be determined by the Exchange and may not be larger than 40%. However, if only one Member's response matches the Initiating Member's single price submission then the Initiating Member may be allocated up to 50% of the order.[44]

• Notwithstanding proposed Rule 515A(a)(2)(iii)(C), (D), if the Initiating Member selected the auto-match option of the Auction, the Initiating Member shall be allocated its full size of RFR responses at each price point up to the designated limit price or until a price point is reached where the balance of the order can be fully executed.[45] At such price point, the Initiating Member shall be allocated the greater of one contract or a certain percentage of the remainder of the order, which percentage will be determined by the Exchange and may not be larger than 40%.[46]

• Notwithstanding proposed Rule 515A(a)(2)(iii)(C), (D), if the Auction does not result in price improvement over the Exchange's disseminated price at the time the Auction began, resting unchanged quotes or orders that were disseminated at the best price before the Auction began shall have priority after any Priority Customer order priority and the Initiating Member's priority (40%) have been satisfied.[47] Any unexecuted balance on the Agency Order shall be allocated to RFR responses provided that those RFR responses will be capped to the size of the original order and that the Initiating Member may not participate on any such balance unless the Agency Order would otherwise go unfilled.[48]

• If the final Auction price locks a Priority Customer order on the Book on the same side of the market as the Agency Order, then, unless there is sufficient size in the Auction responses to execute both the Agency Order and the booked Priority Customer order (in which case they will both execute at the final Auction price), the Agency Order will execute against the RFR responses at $0.01 increment worse than the final Auction price (towards the opposite side of the Agency Order) against the Auction participants that submitted the final Auction price and any balance shall trade against the Priority Customer order in the Book at such order's limit price.[49]

• If the Initiating Member elected to have last priority in allocation when the Initiating Member's auto-match when there is a designated limit price, the Exchange proposes additional language to clarify that the Initiating Member shall be allocated its full size of RFR responses at each price point up to the designated limit price or until a price point is reached where the balance of the order can be fully executed. *See also* CBOE Rule 6.74A(b)(3)(G).

---

[37] *See* Proposed Rule 515A(a)(2)(iii)(C).

[38] *See* Exchange Rule 514(e)(2). Specifically, the term ''Professional Interest'' means (i) an order that is for the account of a person or entity that is not a Priority Customer, or (ii) an order or non-priority quote for the account of a Market Maker. *See* Exchange Rule 100.

[39] *See* Proposed Rule 515A(a)(2)(iii)(D).

[40] *See* Proposed Rule 515A(a)(2)(iii)(E). *See also* CBOE Rule 6.74A(b)(3)(C).

[41] As mentioned above, the ''initiating price'' is the stop price of the Agency Order. Thus for single price submissions, the initiating price will be the stop price which is the limit price of the single price submission. For Agency Orders where no limit price is designated (market orders), the initiating price will be the stop price which is at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts). For auto-match submissions with a designated limit price, the initiating price will be the stop price which is the limit price designated on the Agency Order. For auto-match submissions where no limit price is designated (market orders), the initiating price will be the stop price at the NBBO (if 50 standard option contracts or 500 mini-option contracts or greater) or $0.01 increment better than the NBBO (if less than 50 standard option contracts or 500 mini-option contracts). *See* Proposed Rule 515A(a)(2)(i)(A). *See also* CBOE Rule 6.74A(b)(1)(A).

[42] *See* Proposed Rule 515A(a)(2)(iii)(F). The proposed treatment of the unrelated market or marketable limit order on the opposite side differs from CBOE, in that CBOE's rule does not contemplate pricing at the midpoint when there is no RFR response. The Exchange believes that in the absence of a RFR response, using the initiating price in this scenario is appropriate and helps facilitate an execution at an improved price for the Agency Order. *See* CBOE Rule 6.74A(b)(3)(D).

[43] *See* Proposed Rule 515A(a)(2)(iii)(G). An unrelated non-marketable limit order on the opposite side of the market as the Agency Order would end the Auction in the situation when that unrelated non-marketable limit order improves any RFR response. Thus, in contrast to the situation of an unrelated market or marketable limit order, the proposed treatment of an unrelated non-marketable limit order on the opposite side will be identical to CBOE since there will be a RFR response present to calculate the midpoint from when the Auction ends. *See also* CBOE Rule 6.74A(b)(3)(E).

[44] *See* Proposed Rule 515A(a)(2)(iii)(H). In contrast to CBOE which is silent on the priority of allocation at a price point between the Initiating Member's guaranteed allocation and other interest, the Exchange proposes additional language to clarify that the priority of the Initiating Member's guaranteed allocation is after Priority Customer interest. *See also* CBOE Rule 6.74A(b)(3)(F).

[45] The Exchange notes that the auto-match functionality will only allocate the full size of RFR responses (AOC orders and AOC eQuotes). *See* Proposed Rule 515A(a)(2)(iii)(I). In contrast to CBOE which is silent on the priority of allocation at a price point between the Initiating Member's guarantee and other interest, the Exchange proposes additional language to clarify that the priority of the Initiating Member's guaranteed allocation is after Priority Customer interest. *See also* CBOE Rule 6.74A(b)(3)(G). As noted above, any orders or quotes received by the System during the Auction that are not AOC orders or AOC eQuotes will be treated as unrelated trading interest; the auto-match functionality will not allocate against such unrelated trading interest. *See* Proposed Rule 515A(a)(2)(i)(D).

[46] *See* Proposed Rule 515A(a)(2)(iii)(I). In contrast to CBOE which is silent regarding the allocation of

[47] The Exchange notes that the priority of such resting unchanged quotes or orders that were disseminated at the best price before the Auction began will still be subject to the standard priority allocation in effect pursuant to Rule 514.

In contrast to CBOE which is silent on the priority of allocation at a price point between the Initiating Member's guarantee and other interest, the Exchange proposes additional language to clarify that the priority of the Initiating Member's guaranteed allocation is after Priority Customer interest. *See* Proposed Rule 515A(a)(2)(iii)(J). *See also* CBOE Rule 6.74A(b)(3)(H).

[48] *See* Proposed Rule 515A(a)(2)(iii)(J). This provision differs slightly from CBOE which caps RFR responses to the size of the unexecuted balance of the Agency Order when allocating any unexecuted balance on the Agency Order. *See* CBOE Rule 6.74A(b)(3)(H).

[49] *See* Proposed Rule 515A(a)(2)(iii)(K). The Exchange proposes additional language not in the CBOE rule to clarify that an execution price in this situation that is $0.01 increment worse than the final Auction price means the final Auction price adjusted by $0.01 increment towards the opposite side of the Agency Order. *See also* CBOE Rule 6.74A(b)(3)(I).

submitting an Agency Order to initiate an Auction against a single-price submission, the Initiating Member will be allocated only the amount of contracts remaining, if any, after the Agency Order is allocated to all other responses at the single price specified by the Initiating Member.[50]

• If an unexecuted balance remains on the Auction responses after the Agency Order has been executed and such balance could trade against any unrelated order(s) that caused the Auction to conclude, then the RFR balance will trade against the unrelated order(s) on a size pro rata basis as defined in Rule 514(c)(2).[51]

The following examples show how allocations will be allocated at the conclusion of the Prime Auction.[52]

*Example 8—Single Price Submission, Priority Customer Has Priority*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 10 at $1.18
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds Priority Customer response received, AOC order to Sell 40 at $1.18
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 40 contracts trade with Priority Customer @ $1.18
2. 5 contracts trade with MM1 @ $1.18
3. 5 contracts trade with MM4 @ $1.18 (This fills the entire Agency Order and Contra Order does not receive an execution)

*Example 9—Single Price Submission, Priority Customer Has Priority and Only One Response Matches the Initiating Member at the Best Price*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 50 at $1.20
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.22
- @ 450 milliseconds Priority Customer response received, AOC order to Sell 40 at $1.22
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 25 contracts trade with MM1 @ $1.20
2. 25 contracts trade with the Contra Order @ $1.20 (This fills the entire Agency Order and this satisfies their 50% of the order size when matching one other member participation guarantee)

*Example 10—Single Price Submission, Market Maker With Priority Quotes Has Priority*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 non-priority response received, AOC eQuote to Sell 10 at $1.18
- @ 230 milliseconds MM4 non-priority response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 with priority quotes response received, AOC eQuote to Sell 40 at $1.18
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 40 contracts trade with MM3 @ $1.18
2. 5 contracts trade with MM1 @ $1.18
3. 5 contracts trade with MM4 @ $1.18 (This fills the entire Agency Order and Contra Order does not receive an execution)

*Example 11—Single Price Submission, Market Maker With Priority Quotes Has Priority*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 non-priority response received, AOC eQuote to Sell 10 at $1.18
- @ 230 milliseconds BD4 response received, AOC order to Sell 10 at $1.18
- @ 450 milliseconds MM3 with priority quotes response received, AOC eQuote to Sell 40 at $1.18
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 40 contracts trade with MM3 @ $1.18
2. 5 contracts trade with MM1 @ $1.18
3. 5 contracts trade with BD4 @ $1.18 (This fills the entire Agency Order and Contra Order does not receive an execution)

*Example 12—Auto-Match, Market Maker With Priority Quotes Has Priority*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 non-priority response received, AOC eQuote to Sell 10 at $1.18
- @ 230 milliseconds MM4 non-priority response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 with priority quotes response received, AOC eQuote to Sell 40 at $1.18
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 30 contracts trade with MM3 @ $1.18
2. 20 contracts trade with the Contra Order @ $1.18 (This fills the entire Agency Order and this satisfies their 40% participation guarantee)

*Example 13—Auto-Match, Market Maker With Priority Quotes Has Priority*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 non-priority response received, AOC eQuote to Sell 10 at $1.18

---

[50] *See* Proposed Rule 515A(a)(2)(iii)(L). *See also* CBOE Rule 6.74A(b)(3)(J).

[51] *See* Proposed Rule 515A(a)(2)(iii)(M). In contrast to CBOE which is silent regarding the basis for allocation of an unrelated order(s) against the RFR balance in this situation, the Exchange proposes additional language to clarify that such RFR balance will trade against the unrelated order(s) on a size pro rata basis as defined in Rule 514(c)(2). *See also* CBOE Rule 6.74A(b)(3).

[52] The Exchange notes that in all examples in the filing, a Market Maker response should be considered from a Market Maker that does not have a priority quote, unless the example specifically states that the response is from a Market Maker with a priority quote.

- @ 230 milliseconds BD4 response received, AOC order to Sell 10 at $1.18
- @ 450 milliseconds MM3 with priority quotes response received, AOC eQuote to Sell 40 at $1.18
- 500 milliseconds (Auction Ends)

Under this scenario the Agency Order would be executed as follows:
1. 30 contracts trade with MM3 @ $1.18
2. 20 contracts trade with the Contra Order @ $1.18 (This fills the entire Agency Order and this satisfies their 40% participation guarantee)

*Example 14—Single Price Submission, Priority Customer Order on the Book on the Same Side Locks the Final Auction Price*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Priority Customer order on the Book to Buy 75 at $1.15
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts with a single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 10 at $1.22
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 50 at $1.15 (response matches the opposite MBBO causes the Auction to conclude early)

Under this scenario the Agency Order would be executed as follows:
1. 50 contracts trade with MM4 @ $1.16 (This fills the entire Agency Order and Contra Order does not receive an execution)

*Example 15—Auto-Match, Priority Customer Order on the Book on the Same Side Locks the Final Auction Price*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Priority Customer order on the Book to Buy 75 at $1.15
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 10 at $1.22
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 50 at $1.15 (response matches the opposite MBBO causes the Auction to conclude early)

Under this scenario the Agency Order would be executed as follows:
1. 30 contracts trade with MM4 @ $1.16
2. 20 contracts trade with the Contra Order @ $1.16 (This fills the entire Agency Order and this satisfies their 40% participation guarantee)
3. Priority Customer order to buy 75 at $1.15 then executes as follows:
a. 20 contracts trade with MM4 @ $1.15
b. Remaining contracts post to the Book as the new BB paying $1.15 for 55 contracts

In Examples 14 and 15, since both the Agency Order and the Priority Customer order could not both be executed against the RFR responses due to insufficient size, the Agency Order executed against the RFR response at $0.01 increment worse than the final Auction price with the remaining balance of responses trading against the Priority Customer order in the Book at such order's limit price.[53] In Example 15, there is sufficient balance remaining of the RFR response to partially trade at the Priority Customer's limit price. However, in Example 14, there is not any remaining balance of RFR responses that can trade against the Priority Customer order.

*Example 16—Auto-Match, Priority Customer Order on the Book on the Same Side Locks the Final Auction Price*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Priority Customer order to Buy 20 at $1.15
Agency Order to buy 50 contracts with a limit price of $1.20
Initiating Member's Contra Order selling 50 contracts auto-match
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 110 milliseconds MM1 response received, AOC eQuote to Sell 50 at $1.15 (response matches the opposite MBBO causes the Auction to conclude early)

Under this scenario the Agency Order would be executed as follows:
1. 30 contracts trade with MM1 @ $1.15
2. 20 contracts trade with the Contra Order @ $1.15 (This fills the entire Agency Order and this satisfies their 40% participation guarantee)
3. Priority Customer order to buy 20 at $1.15 then executes as follows:
a. 20 contracts trade with MM1 @ $1.15

In Example 16, since there is sufficient size in the RFR responses to execute both the Agency Order and the Priority Customer order, both execute at the final Auction price.[54]

As mentioned above and shown in Examples 8–16, the priority of allocation at the conclusion of a PRIME Auction will be similar to the standard allocation of orders and quotes on MIAX.[55] At each price point, orders and quotes will be given priority by type—Priority Customer, Market Maker with priority quotes, and then to Professional Interest. The Exchange believes that this design is necessary to ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange. In addition, by keeping the priority of allocation of the PRIME similar in this way to the standard allocation, there is a reduced ability to misuse the Auction to circumvent the standard priority rules.

As noted earlier, the PRIME Auction is integrated seamlessly within the Exchange's Book and is designed to maintain priority of all resting quotes and orders and any RFR responses received before the conclusion of the Auction. A PRIME Auction would conclude early as a result of certain events that would otherwise disrupt the priority of the Auction within the Book. The Exchange notes that this is consistent with how the electronic price improvement auctions of other competing exchanges operate.[56] The following examples show how allocations will be allocated due to the early conclusion of the Prime Auction before the expiration of the RFR timer.[57]

*Example 17—Early Conclusion of Auction, Opposite Side Limit Order Marketable Against NBBO at the Time of Arrival*

NBBO = $1.20–$1.24 200 × 100
BBO = $1.20–$1.24 100 × 100
Agency Order to buy 50 contracts with a limit of $1.24

[53] *See* Proposed Rule 515A(a)(2)(iii)(K). *See also* CBOE Rule 6.74A(b)(3)(I).

[54] *See id.*

[55] In simple terms, the allocation of orders and quotes at the conclusion of a PRIME Auction will be in priority ranked by price/origin type/pro-rata/time which is that standard allocation of orders and quotes on MIAX when the pro-rata allocation method and the Priority Customer Overlay is in effect. The key differences between the standard allocation and PRIME allocation are that in PRIME: RFR responses are capped at the total size of the Agency order which changes the pro-rata calculation when allocating within the same origin type; no participation entitlement will apply to orders executed in the PRIME; and the Initiating Member's facilitating or solicitation order may receive a participation guarantee at the stop price.

[56] *See, e.g.,* CBOE Rule 6.74A; ISE Rule 723.

[57] *See supra* note 42. As provided above, the Exchange notes that in all examples in the filing, a Market Maker response should be considered from a Market Maker that does not have a priority quote, unless the example specifically states that the response is from a Market Maker with a priority quote.

Initiating Member's Contra Order selling 50 contracts with a stop price of $1.24
RFR sent identifying the option, side and size, initiating price of $1.24 (Auction Starts)
- @ 200 milliseconds MM3 response received, AOC eQuote to Sell 50 at $1.22
- @ 210 milliseconds MM1 response received, AOC eQuote to Sell 50 at $1.22
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 50 at $1.23
- @ 400 milliseconds BD1 Unrelated Order received Sell 10 at $1.20 (Opposite-side order marketable against the NBB causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 10 contracts trade with the unrelated order for BD1 @ $1.21 (midpoint of the best RFR response of $1.22 and the opposite side of the market from the RFR response of $1.20)
2. 20 contracts trade with MM3 @ $1.22
3. 20 contracts trade with MM1 @ (This fills the entire Agency Order)
4. MM4 does not trade any contracts
5. Contra Order does not trade any contracts

*Example 18—Early Conclusion of Auction, Opposite Side Non-Marketable Order Received*

NBBO = $1.20–$1.24 200 × 100
BBO = $1.20–$1.24 100 × 100
Agency Order to buy 50 contracts with a limit of $1.24
Initiating Member's Contra Order selling 50 contracts with a stop price of $1.24
RFR sent identifying the option, side and size, initiating price of $1.24 (Auction Starts)
- @ 200 milliseconds MM3 response received, AOC eQuote to Sell 50 at $1.23
- @ 210 milliseconds MM1 response received, AOC eQuote to Sell 50 at $1.23
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 50 at $1.24
- @ 400 milliseconds BD1 Unrelated Order received Sell 10 at $1.21 (Opposite-side order non-marketable against the NBB causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 10 contracts trade with the unrelated order for BD1 @ $1.22(midpoint of the best RFR response of $1.23 and the unrelated order's limit price of $1.21, rounded towards the unrelated order's limit price when necessary)
2. 20 contracts trade with MM3 @ $1.23
3. 20 contracts trade with MM1 @ $1.23 (This fills the entire Agency Order)
4. MM4 does not trade any contracts
5. Contra Order does not trade any contracts

*Example 19—Early Conclusion of Auction, Opposite Side Market Order With Auto-Match and No Responses*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit of $1.20
Initiating Member's Contra Order selling 50 contracts with Auto-match
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 490 milliseconds BD1 Unrelated Order received Sell 5 at the market (Opposite-side market order causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 5 contracts trade with BD1 @ $1.17 (midpoint of the initiating price of $1.20 and the opposite side of the market from the RFR response of $1.15, rounded towards the disseminated quote when necessary)
2. 45 contracts trade with Contra Order at $1.20 (the initiating price) (This fills the entire Agency Order)

*Example 20—Early Conclusion of Auction, Opposite Side Market Order With Auto-Match and Responses Before Early Conclusion*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit of $1.20
Initiating Member's Contra Order selling 50 contracts with Auto-match,
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts)
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.18
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- @ 490 milliseconds BD1 Unrelated Order received Sell 5 at the market (Opposite-side market order causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 5 contracts trade with BD1 @ $1.16 (midpoint of the best RFR response of $1.18 and the opposite side of the market from the RFR response of $1.15, rounded towards the disseminated quote)
2. 10 contracts trade with MM4 @ $1.18
3. 10 contracts trade with Contra Order @ $1.18 (Auto-match other response prices)
4. 10 contracts trade with the Contra Order @ $1.20 (This satisfies their 40% of the remaining contracts participation guarantee)
5. 15 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 21—Early Conclusion of Auction, Opposite Side Market Order With Single-Price Submission*

NBBO = $1.15–$1.25 200 × 200
BBO = $1.15–$1.25 100 × 100
Agency Order to buy 50 contracts with a limit of $1.20
Initiating Member's Contra Order selling 50 contracts with single stop price of $1.20
RFR sent identifying the option, side and size, with initiating price of $1.20 (Auction Starts,)
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 10 at $1.19
- @ 450 milliseconds MM3 response received, AOC eQuote to Sell 40 at $1.20
- @ 490 milliseconds BD1 Unrelated Order received Sell 5 at the market (Opposite-side market order causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 5 contracts trade with BD1 @ $1.17 (midpoint of the best RFR response of $1.19 and the opposite side of the market from the RFR response of $1.15)
2. 10 contracts trade with MM4 @ $1.19
3. 20 contracts trade with the Contra Order @ $1.20 (This satisfies their 40% participation guarantee)
4. 15 contracts trade with MM3 @ $1.20 (This fills the entire Agency Order)

*Example 22—Early Conclusion of Auction, Same Side Market Order*

NBBO = $1.20–$1.24 200 × 200
BBO = $1.20–$1.24 100 × 100
Agency Order to buy 20 contracts for $1.23
Initiating Member's Contra Order selling 20 contracts with Auto-match
RFR sent, identifying the option, side and size, initiating price of $1.23 (Auction Starts)
- @ 200 milliseconds MM3 response received, AOC eQuote to Sell 20 at $1.23
- @ 210 milliseconds MM1 response received, AOC eQuote to Sell 20 at $1.22
- @ 230 milliseconds MM4 response received, AOC eQuote to Sell 20 at $1.22
- @ 250 milliseconds C1 Unrelated Order received Buy 100 at the market (Same-side order marketable against the NBO causes an early conclusion to the Auction)

Under this scenario, the Agency Order would be executed as follows:

1. 8 contracts trade with the Contra Order @ $1.22 (This satisfies their 40% participation guarantee)
2. 6 contract trades with MM1 @ $1.22
3. 6 contract trades with MM4 @ $1.22 (This fills the entire Agency Order)
4. C1 unrelated order to buy 100 at the market then executes as follows:

a. 14 contracts trade with MM1 @ $1.22
b. 14 contracts trade with MM4 @ $1.22
c. 20 contracts trade with MM3 @ $1.23
d. The remaining 52 contracts from C1 unrelated order are handled pursuant to existing Rule 514 (in this case, that means the 52 contracts would trade with the interest comprising the BO, which was offering 100 contracts at $1.24)

*Example 23—Early Conclusion of Auction, Same Side New BBO Improves Initiating Price*

NBBO = $1.20–$1.24 200 × 200
BBO = $1.20–$1.24 100 × 100
Agency Order to buy 20 contracts with a limit price of $1.22
Initiating Member's Contra Order selling 20 contracts at $1.22
RFR sent identifying the option, side and size, with an initiating price of $1.22 (Auction Starts)

- @ 300 milliseconds MM3 response received, AOC eQuote to Sell 20 at $1.22
- @ 310 milliseconds MM1 response received, AOC eQuote to Sell 20 at $1.22
- @ 430 milliseconds MM4 response received, AOC eQuote to Sell 20 at $1.22
- @ 450 milliseconds C1 Unrelated Order received Buy 100 at $1.23 (Same side limit order to buy that improves (i.e., is priced higher than) the Agency Order's initiating price causes the Auction to conclude early)

Under this scenario, the Agency Order would be executed as follows:

- 8 contracts trade with the Contra Order @ $1.22 (This satisfies their 40% participation guarantee)
- 4 contracts trades with MM3 @ $1.22
- 4 contracts trades with MM1 @ $1.22
- 4 contracts trade with MM4 @ $1.22 (This fills the entire Agency Order)
- C1 unrelated order then executes as follows:

a. 16 contracts trade with MM3 @ $1.22
b. 16 contracts trade with MM1 @ $1.22
c. 16 contracts trade with MM4 @ $1.22
d. Remaining contracts post to the Book as new BB paying $1.23 for 52 contracts

*Example 24—Early Conclusion of Auction, IOC Marketable Against Either Side of NBBO at Time of Arrival*

NBBO = $1.20–$1.24 200 × 200
BBO = $1.20–$1.24 100 × 100
Agency Order to buy with a limit price of $1.22 for 20 contracts
Initiating Member's Contra Order selling 20 contracts at $1.22
RFR sent identifying the option, side and size, with initiating price of $1.22 (Auction Starts)

- @ 100 milliseconds MM3 response received, AOC eQuote to Sell 20 at $1.22
- @ 210 milliseconds MM1 response received, AOC eQuote to Sell 20 at $1.22
- @ 330 milliseconds MM4 response received, AOC eQuote to Sell 20 at $1.22
- @ 400 milliseconds C1 Unrelated IOC Order received Buy 100 at $1.24 (Same side IOC order to buy marketable against the BO causes the Auction to conclude early)

Under this scenario, the Agency Order would be executed as follows:

1. 8 contracts trade with the Contra Order @ $1.22 (This satisfies their 40% participation guarantee)
2. 4 contracts trades with MM3 @ $1.22
3. 4 contracts trades with MM1 @ $1.22
4. 4 contracts trade with MM4 @ $1.22 (This fills the entire Agency Order)
5. C1 unrelated IOC order then executes as follows:

a. 16 contracts trade with MM3 @ $1.22
b. 16 contracts trade with MM1 @ $1.22
c. 16 contracts trade with MM4 @ $1.22
d. Remaining 52 contracts then executes with the posted market at the Exchange's $1.24 BO

As described above, the PRIME is designed to work seamlessly with the Exchange's Book and with a priority of allocation that will be similar to the standard allocation of orders and quotes on MIAX. If orders are received by the Exchange during the period when a PRIME Auction is occurring, such orders will be eligible to participate in the auction, subject to the process above. If orders received are not executed in the Auction, the time stamps they received will be used to determine time priority for their execution outside of the auction. The Exchange believes that early conclusion of the Auction in these circumstances will ensure that the Auction interacts seamlessly with the Exchange's Book so as not to disturb the priority of orders on the Book, while affording the PRIME Auction opportunities for price improvement.

*PRIME Solicitation Mechanism*

The Exchange also proposes to provide for a price improvement mechanism to handle solicited orders. A Member that represents agency orders may electronically execute orders it represents as agent (''Agency Order'') against solicited orders provided it submits both the Agency Order and solicited orders for electronic execution into the PRIME Solicitation Mechanism (''Solicitation Auction'') pursuant to proposed Rule 515A(b).

A Member (the ''Initiating Member'') may initiate a Solicitation Auction provided all of the following are met: (i) The Agency Order is in a class designated as eligible for Solicitation Auctions as determined by the Exchange and within the designated Solicitation Auction order eligibility size parameters as such size parameters are determined by the Exchange (however, the eligible order size may not be less than 500 standard option contracts or 5,000 mini-option contracts); (ii) each order entered into the Solicitation Auction shall be designated as all-or-none; and (iii) the minimum price increment for an Initiating Member's single price submission shall be $0.01 increment.[58]

The Exchange proposes that the PRIME Solicitation Auction will proceed as follows:

- To initiate the Solicitation Auction, the Initiating Member must mark the Agency Order for Solicitation Auction processing, and specify a single price at which it seeks to cross the Agency Order with a solicited order which shall be the ''initiating price'' for the Solicitation Auction.[59]
- When the Exchange receives a properly designated Agency Order for Solicitation Auction processing, a RFR message indicating the option, side, size, and initiating price[60] will be sent to all subscribers of the Exchange's data feeds.[61]
- Members may submit responses to the Request for Responses (specifying prices and sizes) during the response period (which shall be 500 milliseconds).[62] RFR responses shall be

[58] *See* Proposed Rule 515A(b)(1). *See also* CBOE Rule 6.74B(a).

[59] *See* Proposed Rule 515A(b)(2)(i)(A). *See also* CBOE Rule 6.74B(b)(1)(A).

[60] The ''initiating price'' for the PRIME Solicitation Auction is the single price specified by the Initiating Member at which it seeks to cross the Agency Order with a solicited order. *See id.*

[61] *See* Proposed Rule 515A(b)(2)(i)(B). As mentioned above, the Exchange will include the RFR from the auction mechanisms in the Exchange's data feeds at no incremental cost to subscribers. Thus, any subscriber that chooses to receive options data, including any Member subscriber, has the ability to respond to those RFRs. The proposed RFR differs from CBOE which only disseminates side and size to Trading Permit Holders that have elected to receive RFRs. *See also* CBOE Rule 6.74B(b)(1)(B).

[62] *See* Proposed Rule 515A(b)(2)(i)(C). The RFR response time during solicitation auctions varies

Continued

an Auction or Cancel (''AOC'') order or an AOC eQuote.[63]

• Responses shall not be visible to other Solicitation Auction participants, and shall not be disseminated to OPRA.[64]

• The minimum price increment for responses shall be the same as provided in 515A(b)(1)(iii) above.[65]

• A response with a size greater than the size of the Agency Order will be capped at the size of the Agency Order.[66]

• RFR responses may be cancelled.[67]

The Solicitation Auction shall conclude at the sooner of the following: (i) The end of the RFR period; (ii) upon receipt by the System of an unrelated order (in the same option as the Agency Order) on the same side or opposite side of the market from the RFR responses, that is marketable against either the MBBO (when such quote is the NBBO) or the RFR responses; (iii) upon receipt by the System of an unrelated limit order (in the same option as the Agency Order and on the opposite side of the market as the Agency Order) that improves any RFR response; (iv) any time an RFR response matches the MBBO on the opposite side of the market from the RFR responses; (v) any time there is a quote lock on the Exchange pursuant to Rule 1402; or (vi) any time there is a trading halt in the option on the Exchange.[68]

At the conclusion of the Solicitation Auction, the Agency Order will be automatically executed in full and allocated subject to the following provisions, or cancelled. The Agency Order will be executed against the solicited order at the proposed execution price, provided that:

• The execution price must be equal to or better than the NBBO. If the execution would take place outside the NBBO, the Agency Order and solicited order will be cancelled; [69]

• There are no Priority Customer orders resting in the Book on the opposite side of the Agency Order at the proposed execution price.[70]

• If there are Priority Customer orders and there is sufficient size (considering all resting orders, quotes and responses) to execute the Agency Order, the Agency Order will be executed against these interests and the solicited order will be cancelled. The Agency Order will be allocated at the best price(s) pursuant to the matching algorithm in effect for the class.[71]

• If there are Priority Customer orders and there is not sufficient size (considering all resting orders, quotes and responses), both the Agency Order and the solicited order will be cancelled; [72] and

• There is insufficient size to execute the Agency Order at an improved price(s).[73]

• If there is sufficient size (considering all resting orders, quotes and responses) to execute the Agency Order at an improved price(s) that is equal or better than the NBBO, the Agency Order will execute at the improved price(s) and the solicited order will be cancelled. The Agency Order will be allocated at the best price(s) pursuant to the matching algorithm in effect for the class.[74]

The following examples show how orders will be executed in the Solicitation Auction.

*Example 25—All-or-None (''AON'') Solicited Offer Gets Allocation*

XYZ Jan 50 Calls
NBBO—1.10–1.25
BBO—1.10–1.30
Paired order to execute 2000 contracts AON (customer selling) @ 1.10
A RFR is broadcast to all subscribers showing option, size, side, and price; timer is started
System starts the auction at the Initiating Customer price to sell @ 1.10
- @ 100 milliseconds Response 1 to buy @ 1.10 2000 AOC order arrives
- @ 200 milliseconds Response 2 to buy @ 1.10 2000 AOC order arrives
- @ 220 milliseconds Response 3 to buy @ 1.10 5000 AOC order arrives
- @ 432 milliseconds Response 4 to buy @ 1.20 1000 AOC order arrives
- @ 500 milliseconds auction timer expires and auction ends

Aggregate responses did not price improve AON size of Initiating Customer Trade is allocated against Initiating Customer:

1. Solicited order buys 2000 contracts paying 1.10

*Example 26—Customer Gets Price Improved for AON Size*

XYZ Jan 50 Calls
NBBO—1.10–1.25
BBO—1.10–1.30
Paired order to execute 2000 contracts AON (customer selling) @ 1.10
A RFR is broadcast to all subscribers showing option, size, side, and price; timer is started
System starts the auction at the Initiating Customer price to sell @ 1.10
- @ 100 milliseconds Response 1 to buy @ 1.10 2000 AOC order arrives
- @ 200 milliseconds Response 2 to buy @ 1.10 2000 AOC order arrives
- @ 220 milliseconds Response 3 to buy @ 1.10 5000 AOC order arrives
- @ 332 milliseconds Response 4 to buy @ 1.20 1000 AOC order arrives
- @ 400 milliseconds Response 5 to buy @ 1.15 2000 AOC order arrives
- @ 500 milliseconds auction timer expires and auction ends

from exchange to exchange. The CBOE RFR lasts for one second. *See* CBOE Rule 6.74B(b)(1)(C). In February 2014, to determine whether the proposed duration of the RFR would provide sufficient time to enter a RFR response, the Exchange asked Members, including Market Makers, whether their firms ''could respond to an Auction with a duration of 500 milliseconds.'' Of the 8 Members that responded to the question, 100% indicated that their firm could respond in this time frame. Thus, the Exchange believes that the proposed duration for the RFR of 500 milliseconds, would provide a meaningful opportunity for participants on MIAX to respond to a RFR while at the same time facilitating the prompt execution of orders.

[63] *See* Proposed Rule 515A(b)(2)(i)(C). *See supra* note 20. In contrast to CBOE which does not allow responses from options market makers from another options exchange, any MIAX Member may respond to the RFR in the PRIME Solicitation Mechanism. *See* CBOE Rule 6.74B(b)(1)(C).

[64] *See* Proposed Rule 515A(b)(2)(i)(D). *See also* CBOE Rule 6.74B(b)(1)(D).

[65] *See* Proposed Rule 515A(b)(2)(i)(E). *See also* CBOE Rule 6.74B(b)(1)(E).

[66] *See* Proposed Rule 515A(b)(2)(i)(F). In contrast to CBOE which limits responses to only the size of the Agency Order, responses that exceed the size of the Agency Order will be treated as if they were the same size as the Agency Order for purposes of the auction. *See* CBOE Rule 6.74B(b)(1)(F).

[67] *See* Proposed Rule 515A(b)(2)(i)(G). *See also* CBOE Rule 6.74B(b)(1)(G).

[68] *See* Proposed Rule 515A(b)(2)(ii). *See also* CBOE Rules CBOE Rule 6.74B(b)(2) and 6.74A(b)(2).

[69] *See* Proposed Rule 515A(b)(2)(iii)(A). *See also* CBOE Rule 6.74B(b)(2)(A)(I).

[70] *See* Proposed Rule 515A(b)(2)(iii)(B)1). *See also* CBOE Rule 6.74B(b)(2)(A)(II).

[71] *See* Proposed Rule 515A(b)(2)(iii)(B)2). In contrast to CBOE which is silent on the priority of allocation of interest against the Agency Order, the Exchange proposes to specify that the Agency Order will be allocated pursuant to the matching algorithm in effect for the class. This will ensure that the Agency Order is allocated consistent with the standard priority of allocation on the Exchange rules that distinguish between Priority Customers, Market Makers with priority quotes, and Professional Interest in a manner that will help ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Solicitation Auction commenced on the Exchange. *See also* CBOE Rule 6.74B(b)(2)(A)(II).

[72] *See* Proposed Rule 515A(b)(2)(iii)(B). *See also* CBOE Rule 6.74B(b)(2)(A)(II).

[73] *See* Proposed Rule 515A(b)(2)(iii)(C). *See also* CBOE Rule 6.74B(b)(2)(A)(III).

[74] *See* Proposed Rule 515A(b)(2)(iii)(C)1) [sic]. In contrast to CBOE which is silent on the priority of allocation of interest against the Agency Order, the Exchange proposes to specify that the Agency Order will be allocated pursuant to the matching algorithm in effect for the class. This will ensure that the Agency Order is allocated consistent with the standard priority of allocation on the Exchange rules that distinguish between Priority Customers, Market Makers with priority quotes, and Professional Interest in a manner that will help ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Solicitation Auction commenced on the Exchange. *See also* CBOE Rule 6.74B(b)(2)(A)(III).

Solicited contra does not participate because entire size was price improved

Trade is allocated against Initiating Customer:

1. 1000 trade vs. Response 4 @ 120
2. 1000 trade vs. Response 5 @ 115; balance of response size is cancelled
3. Solicited contra does not participate because entire size was price improved

*Example 27—Customer Gets Price Improved for AON Size, Unrelated Opposite Side Order Ends Auction and Trades vs. Responses*

XYZ Jan 50 Calls
NBBO—1.10–1.25
BBO—1.10–1.30
Paired order to execute 2000 contracts AON (customer selling) @ 1.10
A RFR is broadcast to all subscribers showing option, size, side, and price; timer is started
System starts the auction at the Initiating Customer price to sell @ 1.10

- @ 100 milliseconds Response 1 to buy @ 1.10 2000 AOC order arrives
- @ 200 milliseconds Response 2 to buy @ 1.10 2000 AOC order arrives
- @ 220 milliseconds Response 3 to buy @ 1.10 5000 AOC order arrives
- @ 332 milliseconds Response 4 to buy @ 1.20 1000 AOC order arrives
- @ 400 milliseconds Response 5 to buy @ 1.15 2000 AOC order arrives
- @ 450 milliseconds, unrelated opposite side order arrives buying 100 @ 1.20–(Opposite side limit order to buy that improves a RFR response (improves Responses 1, 2, 3, and 4)[75] causes the Auction to conclude early)

Trade is allocated against Initiating Customer:

1. 1000 trade vs. Response 4 @ 1.20
2. 100 trade vs. unrelated opposite side order @ 1.20
3. 900 trade vs. Response 5 @ 1.15; balance of response size is cancelled
4. Solicited contra does not participate because entire size was price improved

*Example 28—Customer Gets Price Improved for AON Size, Unrelated Same Side Order Ends Auction and Trades vs. Responses*

XYZ Jan 50 Calls
NBBO—1.10–1.25
BBO—1.10–1.30
Paired order to execute 2000 contracts AON (customer selling) @ 1.10
A RFR is broadcast to all subscribers showing option, size, side, and price; timer is started
System starts the auction at the Initiating Customer price to sell @ 1.10

- @ 100 milliseconds Response 1 to buy @ 1.10 2000 AOC order arrives
- @ 200 milliseconds Response 2 to buy @ 1.10 2000 AOC order arrives
- @ 220 milliseconds Response 3 to buy @ 1.10 5000 AOC order arrives
- @ 332 milliseconds Response 4 to buy @ 1.20 1000 AOC order arrives
- @ 400 milliseconds Response 5 to buy @ 1.15 2000 AOC order arrives
- @ 450 milliseconds, unrelated same side order arrives selling 100 @ 1.10—(Same side limit order to sell that is marketable against RFR responses causes the Auction to conclude early)

Trade is allocated against Initiating Customer:

1. 1000 trade vs. Response 4 @ 1.20
2. 1000 trade vs. Response 5 @ 1.15
3. Solicited contra does not participate because entire size was price improved
4. Unrelated same side order trades 100 vs. Response 5 @ 1.15; balance of response size is cancelled

*Interpretations and Policies*

The Exchange also proposes several Interpretations and Policies to Proposed Rule 515A.

Interpretations and Policy .01 provides that it shall be considered conduct inconsistent with just and equitable principles of trade, in accordance with Rule 301, for any Member to enter orders, quotes, Agency Orders, or other responses for the purpose of disrupting or manipulating the Auction. Such conduct includes, but is not limited to, engaging in a pattern or practice of submitting unrelated orders that cause an Auction to conclude before the end of the RFR period and engaging in a pattern of conduct where the Member submitting the Agency Order into the PRIME breaks up the Agency Order into separate orders for two (2) or fewer contracts for the purpose of gaining a higher allocation percentage than the Member would have otherwise received in accordance with the allocation procedures contained in paragraph (a)(2)(iii) or (b)(2)(iii) above.[76]

Interpretations and Policy .02 provides that the Auction and the Solicitation Auction may only be used to execute bona fide crossing transactions. Using the Auction and the Solicitation Auction for any other means, including but not limited to, market or price manipulation, shall be considered conduct inconsistent with just and equitable principles of trade in accordance with Rule 301.[77]

Interpretations and Policy .03 provides that for executions pursuant to Rule 515A(b), prior to entering Agency Orders into the PRIME on behalf of customers, Initiating Members must deliver to the customer a written notification informing the customer that his order may be executed using the PRIME. The written notification must disclose the terms and conditions contained in this Rule 515A and be in a form approved by the Exchange.[78]

Interpretations and Policies .04 provides that Members may enter contra orders that are solicited. The PRIME provides a facility for Members that locate liquidity for their customer orders. Members may not use the Solicitation Auction to circumvent Rule 520 limiting principal transactions. This may include, but is not limited to, Members entering contra orders that are solicited from (a) affiliated broker-dealers, or (b) broker-dealers with which the Member has an arrangement that allows the Member to realize similar economic benefits from the solicited transaction as it would achieve by executing the customer order in whole or in part as principal. Additionally, solicited contra orders entered by Members to trade against Agency Orders may not be for the account of a MIAX Market Maker assigned to the options class.[79]

Interpretation and Policy .05 provides that any determinations made by the Exchange pursuant to this Rule such as eligible classes and order size parameters shall be communicated in a Regulatory Circular.[80]

Interpretation and Policy .06 provides that if managed interest exists on the MIAX Book pursuant to Rule 515(c) for the option on the opposite side of the market as the Agency Order and when the MBBO is equal to the NBBO, the Agency Order will be automatically executed against the managed interest if the execution would be at a price equal to the initiating price of the Agency Order. If the Agency Order is not fully executed after the managed interest is fully exhausted and is no longer at a price equal to or better than the initiating price of the Agency Order, the Auction will be initiated for the balance

[75] The Commission believes that in Example 27, the reference to Response 4 in the final bullet point should instead be to Response 5.

[76] *See* Proposed Rule 515A, Interpretations and Policies .01. *See also* ISE Rule 723, Commentary .01; CBOE Rule 6.74A.02.

[77] *See* Proposed Rule 515A, Interpretations and Policies .02. *See also* ISE Rule 723, Commentary .02.

[78] *See* Proposed Rule 515A, Interpretations and Policies .03. *See also* CBOE Rule 6.74B.02.

[79] *See* Proposed Rule 515A, Interpretations and Policies .04. *See also* CBOE Rule 6.74B.03.

[80] *See* Proposed Rule 515A, Interpretations and Policies .05. *See also* CBOE Rule 6.74A.05.

of the order as provided in this rule. With respect to any portion of an Agency Order that is automatically executed against managed interest pursuant to this paragraph .06, the exposure requirements contained in Rule 520(b) and (c) will not be satisfied just because the member utilized the PRIME.[81] Managed interest on the opposite side of the market as the Agency Order pursuant to Rule 515(c) is posted at one minimum trading increment away from the NBBO, but is available for execution at the NBBO. In order to preserve the priority of this managed interest against incoming RFR responses to the Auction of the Agency Order, the System will execute the Agency Order to the extent possible. The Exchange believes that this provision is necessary to ensure that PRIME works seamlessly with the Exchange's Book in a manner that would ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange.

Interpretation and Policy .07 provides that if managed interest exists on the Exchange's Book pursuant to Rule 515(c) for the option on the same side of the market as the Agency Order, the Agency Order will be rejected by the System prior to initiating an Auction or a Solicitation Auction.[82] Managed interest on the same side of the market as the Agency Order pursuant to Rule 515(c) is posted at one minimum trading increment away from the NBBO, but is available for execution at the NBBO. In order to preserve the priority of this managed interest against incoming RFR responses to the Auction of the Agency Order, the System will reject the Agency Order. The Exchange believes that this provision is necessary to ensure that PRIME works seamlessly with the Exchange's Book in a manner that would ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange.

Interpretation and Policy .08 provides that the Exchange will submit certain data, as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders within the PRIME, that there is significant price improvement for all orders executed through the PRIME, and that there is an active and liquid market functioning on the Exchange outside of the PRIME. Any data which is submitted to the Commission will be provided on a confidential basis.[83]

*Order Exposure Rule*

Current Rule 520 prohibits Electronic Exchange Members from acting as principal on any orders they represent as agent unless (i) agency orders are first exposed on the Exchange for at least one (1) second, and (ii) the Electronic Exchange Member has been bidding or offering on the Exchange for at least one (1) second prior to receiving an agency order that is executable against such bid or offer. In addition, Electronic Exchange Members may not execute orders they represent as agent on the Exchange against orders solicited from Members and non-member broker-dealers to transact with such orders unless the unsolicited order is first exposed on the Exchange for at least one (1) second.

The Exchange believes that the proposed RFR period of 500 milliseconds is sufficient length to permit Members time to respond to a PRIME Auction thereby enhancing opportunities for competition among participants and increasing the likelihood of price improvement for the Agency Order. Accordingly, the Exchange proposes to amend Rule 520 to stipulate that a Member may execute as principal orders they represent as agent, provided that the Member avails itself of the PRIME Auction, pursuant to Rule 515A. Similarly, the Exchange proposes to amend Rule 520 to stipulate that a Member may execute orders they represent as agent against solicited orders, provided that the Member avails itself of the PRIME Auction, pursuant to Rule 515A. Such Agency Orders would not be subject to the one second order exposure requirement of Rule 520, which exclusion from the one second order exposure requirement is consistent with the treatment of similar orders at another competing exchange.[84]

*Section 11(a) of the Exchange Act*

Section 11(a) of the Exchange Act prohibits any member of a national securities exchange from effecting transactions on that exchange for its own account, the account of an associated person, or an account over which it or its associated persons exercises discretion (''covered accounts''), unless an exception applies.[85] Section 11(a)(1) contains a number of exceptions for principal transactions by members and their associated persons. As set forth below, the Exchange believes that the proposed rules for the PRIME are consistent with the requirements in Section 11(a) and the rules thereunder.

In this regard, Section 11(a)(1)(A) provides an exception from the prohibitions in Section 11(a) for dealers acting in the capacity of market makers. With respect to Market Makers on the Exchange, the Exchange believes that orders sent by them for covered accounts to the proposed PRIME would qualify for this exception from Section 11(a).

In addition to this Market Maker exception, Rule 11a2–2(T) under the Exchange Act, known as the ''effect versus execute'' rule, provides exchange members with an exception from Section 11(a) by permitting them, subject to certain conditions, to effect transactions for covered accounts by arranging for an unaffiliated member to execute the transactions on the exchange.[86] To comply with the ''effect versus execute'' rule's conditions, a member: (i) Must transmit the order from off the exchange floor; (ii) may not participate in the execution of the transaction once it has been transmitted to the member performing the execution; [87] (iii) may not be affiliated with the member executing the transaction on the floor through the facilities of the Exchange; and (iv) with respect to an account over which the member has investment discretion, neither the member nor its associated person may retain any compensation in connection with effecting the transaction except as provided in the rule.[88]

The Exchange believes that orders sent by Members for covered accounts to the proposed PRIME would qualify for this ''effect versus execute'' exception from Section 11(a), as

[81] *See* Proposed Rule 515A, Interpretations and Policies .06. In contract to ISE which allows the Agency Order to execute against the ISE BBO before executing a crossing transaction in the price improvement mechanism, the Exchange proposes allowing the immediate execution against managed interest if that execution is equal to the initiating price, which is the stop price of the Agency Order. *See* ISE Rule 723, Commentary .08.

[82] *See* Proposed Rule 515A, Interpretations and Policies .07.

[83] *See* Proposed Rule 515A, Interpretations and Policies .08; *Exhibit 3* (providing a comprehensive list of the data that the Exchange represents that it will collect in order to aid the Commission in its evaluation of the PRIME). *See also* ISE Rule 723, Commentary .03.

[84] *See* BOX Options Rule 7130 IM–7140–2.

[85] 15 U.S.C. 78k(a)(1).

[86] 17 CFR 240.11a2–2(T).

[87] The member, however, may participate in clearing and settling the transaction. *See* Securities Exchange Act Release No. 14563 (March 14, 1978), 43 FR 11542 (March 17, 1978).

[88] 17 CFR 240.11a2–2(T).

described below. In this regard, the first condition of Rule 11a2–2(T) is that orders for covered accounts be transmitted from off the exchange floor. The MIAX trading system and the proposed PRIME receives all orders electronically through remote terminals or computer-to-computer interfaces. The Exchange represents that orders for covered accounts from Members will be transmitted from a remote location directly to the proposed PRIME mechanisms by electronic means. In the context of other automated trading systems, the Commission has found that the off-floor transmission requirement is met if a covered account order is transmitted from a remote location directly to an exchange's floor by electronic means.[89] The second condition of Rule 11a2–2(T) requires that the member not participate in the execution of its order once the order is transmitted to the floor for execution.[90] The Exchange represents that, upon submission to the PRIME, an order will be executed automatically pursuant to the rules set forth for the mechanism. In particular, execution of an order sent to the mechanism depends not on the Member entering the order, but rather on what other orders are present and the priority of those orders. Thus, at no time following the submission of an order is a Member able to acquire control or influence over the result or timing of order execution.[91] Rule 11a2–2(T)'s third condition requires that the order be executed by an exchange member who is unaffiliated with the member initiating the order. The Commission has stated that the requirement is satisfied when automated exchange facilities, such as the PRIME, are used, as long as the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange.[92] The Exchange represents that the PRIME is designed so that no Member has any special or unique trading advantage in the handling of its orders after transmitting its orders to the mechanism. Rule 11a2–2(T)'s fourth condition requires that, in the case of a transaction effected for an account with respect to which the initiating member or an associated person thereof exercises investment discretion, neither the initiating member nor any associated person thereof may retain any compensation in connection with effecting the transaction, unless the person authorized to transact business for the account has expressly provided otherwise by written contract referring to Section 11(a) of the Act and Rule 11a2–2(T) thereunder.[93] The Exchange recognizes that Members relying on Rule 11a2–2(T) for transactions effected through the PRIME must comply with this condition of the Rule.

Because of the technology changes associated with this rule proposal, the Exchange will announce the implementation date of the proposal in a Regulatory Circular to be published no later than 90 days after the publication of the approval order in the **Federal Register**. The implementation date will be no later than 90 days following publication of the Regulatory Circular announcing publication of the approval order in the **Federal Register**.

[89] *See, e.g.,* Securities Exchange Act Release Nos. 59154 (December 23, 2008), 73 FR 80468 (December 31, 2008) (SR–BSE–2008–48); 57478 (March 12, 2008), 73 FR 14521 (March 18, 2008) (SR–NASDAQ–2007–004 and SR–NASDAQ–2007–080); 49068 (January 13, 2004), 69 FR 2775 (January 20, 2004) (SR–BSE–2002–15); 15533 (January 29, 1979), 44 FR 6084 (January 31, 1979) (''1979 Release''); 14563 (March 14, 1978), 43 FR 11542 (March 17, 1978) (''1978 Release'').

[90] The description above covers the universe of the types of Members (*i.e.,* Market Makers, EEMs).

[91] The Exchange notes that a Member may cancel or modify the order, or modify the instructions for executing the order, but that such instructions would be transmitted from off the floor of the Exchange. The Commission has stated that the non-participation requirement is satisfied under such circumstances so long as such modifications or cancellations are also transmitted from off the floor. *See* 1978 Release (stating that the ''non-participation requirement does not prevent initiating members from canceling or modifying orders (or the instructions pursuant to which the initiating member wishes to be executed) after the orders have been transmitted to the executing member, provided that any such instructions are also transmitted from off the floor'').

[92] In considering the operation of automated execution systems operated by an exchange, the Commission noted that, while there is not an independent executing exchange member, the execution of an order is automatic once it has been transmitted into the system. Because the design of these systems ensures that members do not possess any special or unique trading advantages in handling their orders after transmitting them to the exchange, the Commission has stated that executions obtained through these systems satisfy the independent execution requirement of Rule 11a2–2(T). *See* 1979 Release.

[93] *See* 17 CFR 240.11a2–2(T)(a)(2)(iv). In addition, Rule 11a2–2(T)(d) requires a member or associated person authorized by written contract to retain compensation, in connection with effecting transactions for covered accounts over which such member or associated persons thereof exercises investment discretion, to furnish at least annually to the person authorized to transact business for the account a statement setting forth the total amount of compensation retained by the member in connection with effecting transactions for the account during the period covered by the statement which amount must be exclusive of all amounts paid to others during that period for services rendered to effect such transactions. *See also* 1978 (stating ''[t]he contractual and disclosure requirements are designed to assure that accounts electing to permit transaction-related compensation do so only after deciding that such arrangements are suitable to their interests'').

2. Statutory Basis

MIAX believes that its proposed rule change is consistent with Section 6(b) of the Act [94] in general, and furthers the objectives of Section 6(b)(5) of the Act [95] 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

In particular, the proposal will provide market participants auction mechanisms to execute various crossing transactions with the opportunity for price improvement, while ensuring equal access to exposed orders for all market participants. In this regard, PRIME and PRIME Solicitation are intended to be beneficial to investors because they are designed to provide investors seeking to effect option orders while providing opportunities to access additional liquidity and receive price improvement. The Exchange believes the proposed rules are appropriate in that price improvement auctions are widely recognized by market participants as invaluable, both as a tool to access liquidity, and a mechanism to help meet their best execution obligations. The proposed rules will provide the opportunity for an efficient mechanism for carrying out these strategies. In addition, PRIME and PRIME Solicitation promote equal access by providing Members that subscribe to the Exchange's data feeds with the opportunity to interact with orders in PRIME and PRIME Solicitation. In this regard, any Member can subscribe to the options data provided through the Exchange's data feeds.

The Exchange believes that the general provisions regarding the price improvement auction provide a simple, clear framework that will enable the efficient trading of options in a manner consistent with other options exchanges. Further, this clarity in how the price improvement auction functions and its consistency with other exchanges will help promote a fair and orderly national options market system. The Exchange believes that the proposed rules will result in efficient trading and reduce the risk for investors that seek access to additional liquidity

[94] 15 U.S.C. 78f(b).

[95] 15 U.S.C. 78f(b)(5).

and price improvement by providing additional opportunities to do so. The proposed priority of allocation rules in PRIME and PRIME Solicitation are designed to be similar to the existing priority rules that distinguish between Priority Customers, Market Makers with priority quotes, and Professional Interest in a manner that will help ensure a fair and orderly market by maintaining priority of orders and quotes while still affording the opportunity for price improvement on each Auction commenced on the Exchange. In addition, by keeping the priority of allocation of PRIME and PRIME Solicitation similar in this way to the standard allocation, the proposal reduces the ability of market participants to misuse the Auction to circumvent the standard priority rules in a manner that is designed to prevent fraudulent and manipulative acts and practices, and to promote just and equitable principles of trade on the Exchange. The proposed execution and priority rules will allow option orders to interact with interest in the MIAX Book and, conversely, all interest on the MIAX Book to interact with option orders in the price improvement mechanism in an efficient and orderly manner. The Exchange also believes that this interaction of orders will benefit investors by increasing the opportunity for option orders to receive execution, while also enhancing execution quality for the orders on the MIAX Book.

*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. PRIME and PRIME Solicitation are designed to increase competition for order flow on the Exchange in a manner intended to be beneficial to investors seeking to effect option orders with an opportunity to access additional liquidity and receive price improvement. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues who offer similar functionality. The Exchange believes that the proposal to offer price improvement auctions on the Exchange is pro-competitive by providing market participants with functionality that is similar to that of other options exchanges.

*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**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall:

(A) By order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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. Among other things, the Commission notes that MIAX's proposed rule text in this filing is similar to and based on the rules in place at other options exchanges, in particular CBOE, with a few provisions that reflect the unique structure of the MIAX market. As such, MIAX likely intends that its proposed PRIME auction will operate in a manner similar to those other auction mechanisms. Despite the similarity in rule text, however, ambiguities in the rule may nevertheless exist concerning how the auction mechanisms would function in a live trading environment.

Although MIAX has provided guidance in this respect through numerous examples in Section III of this notice, the Commission requests comments on whether the MIAX's proposed rule text is sufficiently clear and precise regarding how the proposed PRIME auctions would operate and how orders would interact within the auctions as well as how the auctions would interact with MIAX's market. Among other things, the Commission requests comment on the following issues:

1. Are the proposed rules sufficiently clear and detailed as to how and at what price the Agency Order could be stopped (either in single-price or auto match auctions)?

2. In the case of an unrelated order that arrives to MIAX during the auction period on either the side of the Agency Order or the side of the RFR Responses (when it is marketable or when it is not, either against the BBO, NBBO, or an RFR Response), is the proposed rule text sufficiently clear regarding the operation of the proposed PRIME Auction and its outcomes?

3. Are the proposed allocation provisions for the price improvement mechanism as well as the solicitation mechanism sufficiently detailed and clear?

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–MIAX–2014–09 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–MIAX–2014–09. 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 20549–1090, 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–MIAX–2014–09 and should be submitted on or before March 31,

2014. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[96]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05029 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71645; File No. SR–NYSEArca-2013–127]**

## Self-Regulatory Organizations; NYSE Arca, Inc.; Order Instituting Proceedings to Determine Whether to Approve or Disapprove Proposed Rule Change Relating to the Listing and Trading of Shares of Nine Series of the IndexIQ Active ETF Trust Under NYSE Arca Equities Rule 8.600

March 4, 2014.

### I. Introduction

On November 18, 2013, NYSE Arca, Inc. (''Exchange'' or ''NYSE Arca'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'' or ''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares (''Shares'') of the IQ Long/Short Alpha ETF, IQ Bear U.S. Large Cap ETF, IQ Bear U.S. Small Cap ETF, IQ Bear International ETF, IQ Bear Emerging Markets ETF, IQ Bull U.S. Large Cap ETF, IQ Bull U.S. Small Cap ETF, IQ Bull International ETF, and IQ Bull Emerging Markets ETF (each a ''Fund'' and collectively, the ''Funds''). On November 26, 2013, the Exchange filed Amendment No. 1 to the proposed rule change.[3] The proposed rule change was published for comment in the **Federal Register** on December 4, 2013.[4] The Commission received no comment letters on the proposed rule change. On January 15, 2014, 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] This Order institutes proceedings under Section 19(b)(2)(B) of the Act [7] to determine whether to approve or disapprove the proposed rule change.

### II. Description of the Proposal

The Exchange proposes to list and trade the Shares under NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares. Each of the Funds is a series of the IndexIQ Active ETF Trust (''Trust''), which is registered under the Investment Company Act of 1940 (''1940 Act'').[8] IndexIQ Advisors LLC (''Adviser'') is the investment adviser for the Funds. The Funds are described below. Additional information regarding the Trust, the Fund, and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, distributions, and taxes, among other things, is included in the Notice and Registration Statement, as applicable.[9]

*IQ Long/Short Alpha ETF*

The Exchange states that the investment objective of the IQ Long/Short Alpha ETF is to seek capital appreciation. Under normal circumstances,[10] at least 80% of the Fund's assets will be exposed to equity securities of U.S. large capitalization companies,[11] by investing in exchange-traded funds (''ETFs''), in ''Financial Instruments,'' which are defined as swap agreements, options contracts, and futures contracts with economic characteristics similar to those of the ETFs for which they are substituted, or in both. The Exchange states that all options contracts and futures contracts will be listed on a U.S. national securities exchange or a non-U.S. securities exchange that is a member of the Intermarket Surveillance Group (''ISG'') or a party to a comprehensive surveillance sharing agreement with the Exchange.

To implement its strategy, the Fund will hold long and short positions in ETFs providing exposure to certain sectors. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.[12]

*IQ Bear U.S. Large Cap ETF*

The Exchange states that the investment objective of the IQ Bear U.S. Large Cap ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of U.S. large capitalization issuers by taking short positions in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will primarily hold short positions in ETFs providing exposure to certain sectors. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bear U.S. Small Cap ETF*

The Exchange states that the investment objective of the IQ Bear U.S. Small Cap ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of U.S. small capitalization companies [13] by taking short positions in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will hold short positions in ETFs providing

[96] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Amendment No. 1 clarified how certain holdings will be valued for purposes of calculating a fund's net asset value and where investors will be able to obtain pricing information for certain underlying holdings.

[4] *See* Securities Exchange Act Release No. 70954 (November 27, 2013), 78 FR 72955 (''Notice'').

[5] 15 U.S.C. 78s(b)(2).

[6] *See* Securities Exchange Act Release No. 71309, 79 FR 3657 (January 22, 2014). The Commission determined that it was appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the proposed rule change. Accordingly, the Commission designated March 4, 2014 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[7] 15 U.S.C. 78s(b)(2)(B).

[8] The Exchange states that on September 12, 2013, the Trust filed with the Commission an amendment to its registration statement on Form N–1A relating to the Funds (File Nos. 333–183489 and 811–22739) (''Registration Statement''). In addition, the Commission has issued an order granting certain exemptive relief to the Trusts under the 1940 Act. *See* Investment Company Act Release No. 30198 (September 10, 2012) (File No. 812–13956) (''Exemptive Order'').

[9] *See* Notice and Registration Statement, *supra* notes 4 and 8, respectively.

[10] The term ''under normal circumstances'' includes, but is not limited to, the absence of adverse market, economic, political, or other conditions, including extreme volatility or trading halts in the fixed income markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; and force majeure type events such as systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption, or any similar intervening circumstance. In certain situations or market conditions, a Fund may temporarily depart from its normal investment policies and strategies, provided that the alternative is consistent with the Fund's investment objective and is in the best interest of the Fund. For example, a Fund that typically takes short positions may hold little or no short positions for extended periods, or a Fund may hold a higher than normal proportion of its assets in cash in times of extreme market stress.

[11] The Exchange states that the Adviser considers ''large capitalization companies'' to have market capitalizations of at least $5 billion.

[12] Money market instruments generally are short-term cash instruments that have a remaining maturity of 397 days or less and exhibit high quality credit profiles. These include U.S. Treasury Bills and repurchase agreements.

[13] According to the Registration Statement, the Adviser will consider ''small capitalization companies'' to have market capitalizations of between $300 million and $2 billion.

exposure to certain sectors. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bear International ETF*

According to the Exchange, the investment objective of the IQ Bear International ETF is to seek capital appreciation. To implement this strategy, under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of issuers domiciled in developed market countries [14] by taking short positions in ETFs, Financial Instruments, or both. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bear Emerging Markets ETF*

According to the Exchange, the investment objective of the IQ Bear Emerging Markets ETF is to seek capital appreciation. To implement this strategy, under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of issuers domiciled in emerging market countries [15] by taking short positions in ETFs, Financial Instruments, or both. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bull U.S. Large Cap ETF*

The Exchange states that the investment objective of the IQ Bull U.S. Large Cap ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of U.S. large capitalization issuers by investing in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will hold long positions in ETFs providing exposure to certain sectors. In addition, the Fund will employ the leverage inherent in the Financial Instruments to gain exposure to the ETFs in which it invests equal to as much as 200% of the net assets of the Fund. The leverage ratio will be uniform across all of the underlying ETFs, such that the relative weights of each sector will stay the same, but the overall exposure of the Fund will be increased. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bull U.S. Small Cap ETF*

The Exchange states that the investment objective of the IQ Bull U.S. Small Cap ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of U.S. small capitalization issuers by investing in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will hold long positions in ETFs providing exposure to certain sectors. In addition, the Fund will employ the leverage inherent in the Financial Instruments to gain exposure to the ETFs in which it invests equal to as much as 200% of the net assets of the Fund. The leverage ratio will be uniform across all of the underlying ETFs, such that the relative weights of each sector will stay the same, but the overall exposure of the Fund will be increased. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bull International ETF*

According to the Exchange, the investment objective of the IQ Bull International ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of issuers domiciled in developed market countries by investing in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will hold long positions in ETFs providing exposure to such countries. In addition, the Fund will employ the leverage inherent in the Financial Instruments to gain exposure to the ETFs in which it invests equal to as much as 200% of the net assets of the Fund. The leverage ratio will be uniform across all of the underlying ETFs, such that the relative weights of each sector will stay the same, but the overall exposure of the Fund will be increased. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*IQ Bull Emerging Markets ETF*

According to the Exchange, the investment objective of the IQ Bull Emerging Markets ETF is to seek capital appreciation. Under normal circumstances, at least 80% of the Fund's assets will be exposed to equity securities of issuers domiciled in emerging market countries by investing in ETFs, Financial Instruments, or both. To implement its strategy, the Fund will hold long positions in ETFs providing exposure to such countries. In addition, the Fund will employ the leverage inherent in the Financial Instruments to gain exposure to the ETFs in which it invests equal to as much as 200% of the net assets of the Fund. The leverage ratio will be uniform across all of the underlying ETFs, such that the relative weights of each sector will stay the same, but the overall exposure of the Fund will be increased. Cash balances arising from the use of short selling and derivatives typically will be held in money market instruments.

*Other Investments of the Funds*

Each Fund may invest a portion of its assets in high-quality money market instruments on an ongoing basis. The instruments in which each Fund may invest include: (1) Short-term obligations issued by the U.S. government; (2) negotiable certificates of deposit (''CDs''), fixed time deposits, and bankers' acceptances of U.S. and foreign banks and similar institutions; (3) commercial paper rated at the date of purchase ''Prime-1'' by Moody's Investors Service, Inc. or ''A–1+'' or ''A–1'' by Standard & Poor's Ratings Group, Inc., a division of The McGraw-Hill Companies, Inc., or, if unrated, of comparable quality as determined by the Adviser; (4) repurchase agreements (only from or to a commercial bank or a broker-dealer, and only if the purchase is scheduled to occur within seven days or less); and (5) money market mutual funds. CDs are short-term negotiable obligations of commercial banks. Time deposits are non-negotiable deposits maintained in banking institutions for specified periods of time at stated interest rates. Bankers' acceptances are time drafts drawn on commercial banks by borrowers, usually in connection with international transactions.

Each Fund may, from time to time, invest directly in non-ETF equity securities, including U.S.-listed and non-U.S. listed equity securities, provided that all equity securities in which the Funds may invest will be listed on a U.S. national securities exchange or a non-U.S. securities exchange that is a member of the ISG or

[14] According to the Registration Statement, developed market countries generally include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. To the extent that the Adviser believes that countries should be added to or subtracted from the developed markets category, the Adviser may adjust the list of countries accordingly.

[15] According to the Registration Statement, emerging market countries generally will include Brazil, Chile, China, Colombia, the Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, Morocco, Peru, the Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand, and Turkey. To the extent that the Adviser believes that countries should be added to or subtracted from the emerging markets category, it may adjust the list of countries accordingly.

a party to a comprehensive surveillance sharing agreement with the Exchange.

In addition to ETFs, the Funds may invest in other U.S.-listed exchange-traded products including exchange-traded notes.

Certain Funds may use American depositary receipts, European depositary receipts, and Global depositary receipts when, in the discretion of the Adviser, the use of such securities is warranted for liquidity, pricing, timing, or other reasons. No Fund will invest more than 10% of its net assets in unsponsored depositary receipts.

*Investment Restrictions*

Each Fund will seek to qualify for treatment as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.[16]

A Fund may hold up to an aggregate amount of 15% of its net assets in illiquid securities (calculated at the time of investment), including Rule 144A Securities.[17] The Funds will monitor their portfolio liquidity on an ongoing basis to determine whether, in the light of current circumstances, an adequate level of liquidity is being maintained and will consider taking appropriate steps in order to maintain adequate liquidity if, through a change in values, net assets, or other circumstances, more than 15% of a Fund's net assets are held in illiquid securities and other illiquid assets.

According to the Registration Statement, the strategy of overweighting and underweighting sectors to maximize opportunities for capital appreciation may result in a Fund investing greater than 25% of its total assets, directly or indirectly, through underlying ETFs, in the equity securities of companies operating in one or more sectors. Sectors comprise multiple individual industries. According to the Registration Statement, a Fund will not invest more than 25% of its total assets, directly or indirectly, through underlying ETFs, in an individual industry, as defined by the Standard Industrial Classification Codes utilized by the Division of Corporate Finance of the Commission.[18] This limitation does not apply to investments in securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities, or shares of investment companies.

According to the Registration Statement, a Fund may not purchase or sell commodities or commodity contracts unless acquired as a result of ownership of securities or other instruments issued by persons that purchase or sell commodities or commodities contracts, but this shall not prevent the Fund from purchasing, selling, and entering into financial futures contracts (including futures contracts on indices of securities, interest rates, and currencies), options on financial futures contracts (including futures contracts on indices of securities, interest rates, and currencies), warrants, swaps, forward contracts, foreign currency spot and forward contracts, or other derivative instruments that are not related to physical commodities.

*Availability of Information*

The Exchange states that the Funds' Web site will include quantitative information for the Funds, updated on a daily basis. This information will include: (1) Daily trading volume, the prior business day's reported closing price, NAV and mid-point of the bid/ask spread at the time of calculation of such NAV (the ''Bid/Ask Price''),[19] and a calculation of the premium and discount of the Bid/Ask Price against the NAV, and (2) data in chart format displaying the frequency distribution of discounts and premiums of the daily Bid/Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters.

On each business day, before commencement of trading in Shares in the Core Trading Session (9:30 a.m. E.T. to 4:00 p.m. E.T.) on the Exchange, the Funds will disclose on their Web site the Disclosed Portfolio that will form the basis for the Funds' calculation of NAV at the end of the business day.[20] On a daily basis, the Funds will disclose on *www.indexiq.com* for each portfolio security and other financial instrument of the Funds the following information: Ticker symbol, name of security and financial instrument, number of shares (if applicable) and dollar value of each security and financial instrument held in the portfolio, and percentage weighting of each security and financial instrument in the portfolio.

In addition, a basket composition file, which includes the security names and share quantities required to be delivered in exchange for Fund Shares, together with estimates and actual cash components, will be publicly disseminated daily prior to the opening of the NYSE via the NSCC. The basket represents one Creation Unit of each Fund.

The Exchange states that information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers' computer screens and other electronic services. Information regarding the previous day's closing price and trading volume information for the Shares will be published daily in the financial section of newspapers. Quotation and last sale information for the Shares and the ETF shares underlying the Shares will be available via the Consolidated Tape Association (''CTA'') high-speed line. Quotation and last sale information for options contracts will be available via the Options Price Reporting Authority. Information regarding the equity securities and other portfolio securities held by each Fund will be available from the national securities exchange trading such securities, automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters or any future service provider. Given that any swap used by a Fund will be priced based on underlying securities that are publicly traded, the pricing information for such underlying securities also will be available from the national securities exchange trading such securities, automated quotation systems, published or other public sources, or on-line information services such as Bloomberg or Reuters or any future service provider. In addition, the

[16] 26 U.S.C. 151.

[17] The Commission has stated that long-standing Commission guidelines have required open-end funds to hold no more than 15% of their net assets in illiquid securities and other illiquid assets. *See* Investment Company Act Release No. 8901 (March 11, 2008), 73 FR 14618, 14621 n.34 (March 18, 2008). *See also,* Investment Company Act Release No. 5847 (October 21, 1969), 35 FR 19989 (December 31, 1970) (Statement Regarding ''Restricted Securities''); Investment Company Act Release No. 18612 (March 12, 1992), 57 FR 9828 (March 20, 1992) (Revisions of Guidelines to Form N–1A). A fund's portfolio security is illiquid if it cannot be disposed of in the ordinary course of business within seven days at approximately the value ascribed to it by the ETF. *See* Investment Company Act Release No. 14983 (March 12, 1986), 51 FR 9773 (March 21, 1986) (adopting amendments to Rule 2a–7 under the 1940 Act); Investment Company Act Release No. 17452 (April 23, 1990), 55 FR 17933 (April 30, 1990) (adopting Rule 144A under the Securities Act of 1933).

[18] *See* Form N–1A, Item 9. The Commission has taken the position that a fund is concentrated if it invests more than 25% of the value of its total assets in any one industry. *See, e.g.,* Investment Company Act Release No. 9011 (October 30, 1975), 40 FR 54241 (November 21, 1975).

[19] The Bid/Ask Price of the Funds will be determined using the midpoint of the highest bid and the lowest offer on the Exchange as of the time of calculation of the Funds' NAV. The records relating to Bid/Ask Prices will be retained by the Funds and their service providers.

[20] Under accounting procedures followed by the Funds, trades made on the prior business day (''T'') will be booked and reflected in NAV on the current business day (''T+1''). Accordingly, the Funds will be able to disclose at the beginning of the business day the portfolio that will form the basis for the NAV calculation at the end of the business day.

Portfolio Indicative Value of the Funds, as defined in NYSE Arca Equities Rule 8.600(c)(3), will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Core Trading Session.

*Surveillance*

The Exchange states that trading in the Shares will be subject to the existing trading surveillances, administered by the Financial Industry Regulatory Authority (''FINRA'') on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws.[21] The Exchange represents that these procedures are adequate to properly monitor Exchange trading of the Shares in all trading sessions and to detect and help deter violations of Exchange rules and applicable federal securities laws.

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns, which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of all relevant parties for all relevant trading violations. FINRA, on behalf of the Exchange, will communicate as needed regarding trading in the Shares with other markets and other entities that are members of the ISG, and FINRA, on behalf of the Exchange, may obtain trading information regarding trading in the Shares from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.[22]

In addition, the Exchange states that it has a general policy prohibiting the distribution of material, non-public information by its employees.

## III. Proceedings to Determine Whether to Approve or Disapprove SR–NYSEArca-2013–127 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act[23] to determine whether the proposed rule change should be approved or disapproved. Institution of such proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change, as discussed below. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to provide comments on the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,[24] the Commission is providing notice of the grounds for disapproval under consideration. As discussed above, under the proposal each Fund, under normal market circumstances, would seek to invest (or, as applicable, to take short positions as to) at least 80% of its total assets in ETFs, Financial Instruments, or both. With respect to the Funds, Financial Instruments are swap agreements, options contracts, and futures contracts with economic characteristics similar to those of the ETFs for which they are substituted. In the Notice, the Exchange included a description of the information that would be made available about the Financial Instruments positions in the Disclosed Portfolio.[25] Also in the Notice, the Exchange discussed its surveillance of the listing and trading of the Shares on the Exchange. The Commission believes that the proposed rule change raises issues regarding the sufficiency of the information that would be included in the Disclosed Portfolio to price the over-the-counter (''OTC'') derivative instruments, and the impact of those OTC derivatives on arbitrage and hedging activities.

Accordingly, the Commission is instituting proceedings to allow for additional analysis of the proposed rule change's consistency with Section 6(b)(5) of the Exchange Act, 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,'' and ''to protect investors and the public interest.'' [26]

## IV. Procedure: Request for Written Comments

The Commission requests that interested persons provide written submissions of their views, data, and arguments with respect to the concerns identified above, as well as any other concerns they may have with the proposal. In particular, the Commission invites the written views of interested persons concerning whether the proposal is consistent with Section 6(b)(5) or any other provision of the Act, or the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval which would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4, any request for an opportunity to make an oral presentation.[27]

Interested persons are invited to submit written data, views, and arguments regarding whether the proposal should be approved or disapproved by March 31, 2014. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by April 14, 2014.

The Commission asks that commenters address the sufficiency and merit of the Exchange's statements in support of the proposal, in addition to any other comments they may wish to submit about the proposed rule change. In particular, the Commission seeks comment on the following:

1. In the proposed rule change, the Exchange states that the Funds' daily disclosure of their holdings, including derivatives, will include the following: Ticker symbol, name of security and financial instrument, number of shares (if applicable) and dollar value of each security and financial instrument held in the portfolio, and percentage weighting of each security and financial instrument in the portfolio. Is this information sufficient for market makers and other market participants to value the Funds' OTC derivatives? Why or why not? What type of information must be included in Disclosed Portfolio for market participants to be able to value the derivatives positions intraday?

2. The Exchange has not made any assertions regarding the potential

[21] FINRA surveils trading on the Exchange pursuant to a regulatory services agreement. The Exchange is responsible for FINRA's performance under this regulatory services agreement.

[22] For a list of the current members of ISG, see *www.isgportal.org.* The Exchange notes that not all components of the Disclosed Portfolio for the Fund may trade on markets that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement.

[23] 15 U.S.C. 78s(b)(2)(B).

[24] *Id.*

[25] Under NYSE Arca's rules, ''Disclosed Portfolio'' means the identities and quantities of the securities and other assets held by the fund that will form the basis for the fund's calculation of net asset value at the end of the business day. *See* NYSE Arca Equities Rule 8.600(c)(2).

[26] 15 U.S.C. 78f(b)(5).

[27] Section 19(b)(2) of the Act, as amended by the Securities Act Amendments of 1975, Public Law 94–29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. *See* Securities Act Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

extensive use of derivatives on impact on the arbitrage mechanism. Will the OTC derivatives held by the Funds negatively impact the arbitrage mechanism? Why or why not?

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–2013–127 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Numbers SR–NYSEArca–2013–127. 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 these filings 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–2013–127 and should be submitted on or before March 31, 2014. Rebuttal comments should be submitted by April 14, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[28]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05032 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71641; File No. SR–NSX–2014–05]**

## Self-Regulatory Organizations; National Stock Exchange, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Fee and Rebate Schedule To Adopt a New Pricing Model and Make Other Conforming Changes

March 4, 2014.

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 February 25, 2014, National Stock Exchange, Inc. (''NSX®'' or the ''Exchange'') 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 comment 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 is proposing to amend its Fee and Rebate Schedule (the ''Fee Schedule'') issued pursuant to Exchange Rule 16.1 to: (i) Change the Fee Schedule applicable to executions occurring on the Exchange through the Auto Ex mode of order interaction (''Auto Ex Mode'')[3] and the Order Delivery mode of order interaction (''Order Delivery Mode'')[4] from the current fee and rebate structure to one that provides for fees for adding liquidity and rebates for removing liquidity (a ''taker/maker'' pricing model); (ii) in connection with the changes to the fee and rebate structure, eliminate the volume tiers and variable and fixed fees and rebates under Section I. of the current Fee Schedule (Auto Ex Mode) and eliminate the volume tiers and rebates for adding liquidity in Order Delivery Mode under Section II. of the current Fee Schedule; and (iii) eliminate the rebate of $0.0015 per executed share for Double Play Orders[5] routed to and executed on the CBOE Stock Exchange, Inc. (''CBSX''). The Exchange also proposes to delete the Explanatory Endnotes and move the content of certain Endnotes to the text of the Fee Schedule.

The text of the proposed rule change is available on the Exchange's Web site at *http://www.nsx.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

As part of its continuous assessment of the U.S. equity securities markets and the competitive environment in which it operates, the Exchange has in recent months undertaken a series of changes to its Fee Schedule with the goal of maximizing the effectiveness of its business model, providing incentives to Equity Trading Permit (''ETP'') Holders[6] to access the Exchange through both Auto Ex Mode and Order Delivery Mode, and to continue providing a high-quality and cost-effective execution venue.[7] The Exchange believes that,

[28] 17 CFR 200.30–3(a)(57).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Exchange Rule 11.13 (Proprietary and Agency Orders; Modes of Order Interaction), paragraph (b)(1).

[4] *See* Exchange Rule 11.13(b)(2).

[5] Exchange Rule 11.11(c)(10) defines a Double Play order as a market or limit order that, upon entry, routes to designated away Trading Centers which are approved by the Exchange from time to time without first exposing the order to the NSX Book. A Double Play Order that is not executed in full after routing away receives a new time stamp upon return to the Exchange and is ranked and maintained in the NSX Book in accordance with Rule 11.14(a).

[6] Exchange Rule 1.5 defines ''ETP'' as the Equity Trading Permit issued by the Exchange for effecting approved securities transactions on the Exchange's trading facilities.

[7] *See* Exchange Act Release No. 71332 (January 16, 2014); 79 FR 3900 (January 23, 2014); (SR–NSX–

Continued

while these changes to the Fee Schedule have been salutary and have responded to the needs of both the Exchange and its customers, the evolving competitive environment impels additional changes to the Exchange's fee and rebate structure.

Accordingly, as set forth in greater detail below, the Exchange is proposing to restructure its fee and rebate programs for both Auto Ex Mode and Order Delivery Mode and adopt a model whereby ETP Holders adding liquidity, computed as a daily percentage of the ETP Holder's total consolidated volume (''TCV'') [8] adding liquidity, will be assessed fees that will decline from $0.0018 per executed share to $0.0012 per executed share as the ETP Holder's percentage of TCV increases. The proposed fee structure will apply in both Auto Ex Mode and Order Delivery Mode. ETP Holders removing liquidity in securities priced at $1.00 and above will receive a rebate. For securities priced below $1.00, the Exchange proposes to retain its fee and rebate structure as it existed before the instant amendment.

In proposing these amendments to the Fee Schedule, the Exchange is replicating certain aspects of the fee and rebate structure currently in effect at CBSX, including the volume tiers currently in use by CBSX for determining fees for providing liquidity. The CBSX fee and rebate schedule and all amendments thereto have been filed with the Commission.[9] In addition, the Exchange believes that its proposal will further simplify and streamline the Exchange's Fee Schedule by providing for the same fees in both modes of order interaction. Thus, all ETP Holders will be subject to the same fee and rebate structure whether they are accessing the Exchange through Auto Ex Mode or Order Delivery Mode.

Fee and Rebate Structure Prior to the Proposed Changes

Prior to the changes proposed in this rule filing, the Fee Schedule as of January 9, 2014 contained separate fee and rebate structures for executions occurring through Auto Ex Mode (as contained in Section I. of the former Fee Schedule) and Order Delivery Mode (as contained in Section II. of the former Fee Schedule). Within each of those separate fee and rebate structures, the Exchange established ADV tiers that provided rebates to ETP Holders for adding liquidity and assessed fees for removing liquidity. ETP Holders were also given a rebate to 50% of the Market Data Revenue (''MDR'') for ADV meeting certain volume tiers.

Section I. Fees and Rebates Applicable to Auto Ex Mode

The fee and rebate structure for Auto Ex Mode under former Section I. of the Fee Schedule was as follows:

Securities $1 and Above (All Tapes); [10] Orders That Add and Take Liquidity [11]:

Each ETP Holder was charged $0.0030 per share for any marketable order that removed liquidity unless the ETP Holder executed ADV of at least 25,000 shares of added liquidity in Auto Ex Mode during a calendar month.

The ''Fixed Fee Schedule'' applied to each ETP Holder that executed ADV of at least 25,000 shares of added liquidity in Auto Ex Mode during a calendar month unless the ETP Holder elected to adopt the ''Variable Fee Schedule'' by sending an email indicating this preference to *NSXTrading@NSX.com* prior to 4:00 p.m. EST on the first trading day of the calendar month.

For Tape B securities only, each ETP Holder that executed ADV of least 25,000 shares of added liquidity in Auto Ex Mode during a calendar month received a rebate of $0.0034 under the Fixed Fee Schedule per executed share.

The former Section I. fee and rebate structure was as follows:

| Tier | ADV | Variable fee schedule | | MDR % | Fixed fee schedule | |
|---|---|---|---|---|---|---|
| | | Rebate to add liquidity (per share) | Fee to remove liquidity (per share) | | Rebate to add liquidity (per share) | Fee to remove liquidity (per share) |
| 1 ..... | 0 & < 0.5 million shares traded ..... | $0.0024 | $0.0030 | −% | $0.0024 | $0.0029 |
| 2 ..... | ≥ 0.5 & < 1.5 million shares traded ..... | 0.0026 | 0.0030 | 50 | 0.0030 | 0.0029 |
| 3 ..... | ≥ 1.5 & < 5.0 million shares traded ..... | 0.0027 | 0.0030 | 50 | 0.0031 | 0.0029 |
| 4 ..... | ≥ 5.0 & < 10.0 million shares traded ..... | 0.0029 | 0.0029 | 50 | 0.0032 | 0.0028 |
| 5 ..... | ≥10.0 million shares traded ..... | 0.0031 | 0.0028 | 50 | 0.0033 | 0.0027 |

The former Fee Schedule provided that, for all Tapes, an ETP Holder posting a Midpoint Peg Zero Display Reserve Order received a fixed rebate of $0.0017 per executed share; these shares were to be included in the ADV calculation but were not eligible for additional rebates under Section I. Additionally, for all Tapes, an ETP Holder removing liquidity using a Midpoint-Seeker Order was charged a fixed fee of $0.0020 per executed share; these shares were to be included in the ADV calculation but not subject to additional fees under Section I.

Securities under $1 (All Tapes) Orders that Add and Take Liquidity:

For executions in securities priced under $1.00 through Auto Ex Mode, Section I. of the pre-amendment Fee Schedule provided for rebates to add liquidity and fees to remove liquidity as follows:

2014–01) (adopting a single pricing structure for Order Delivery Mode, establishing new rebates based on average daily volume (''ADV'') adding liquidity using Order Delivery Mode, eliminating Quotation Update Fees in securities priced above $1.00 applicable to Order Delivery Users; eliminating the Order Delivery Notification Fee in securities priced above $1.00, and eliminating the market data revenue rebate to Order Delivery Users). *See also* Exchange Act Release No. 70890 (November 15, 2013); 78 FR 69900 (November 21, 2013) (SR–NSX–2013–21) (among other amendments, changing fees and rebates for executions in Auto Ex Mode, providing an enhanced rebate for adding liquidity in Tape B securities, and eliminating the Order Delivery Notification fee and quotation update fee in securities priced below $1.00).

[8] The proposed amended Fee Schedule defines ''TCV'' as the total consolidated volume calculated as the volume reported by all exchanges and trade reporting facilities to a consolidated transaction reporting plan.

[9] *See, e.g.,* Exchange Act Release No. 66665 (March 27, 2012); 77 FR 19741 (April 2, 2012) (SR–CBOE–2012–029).

[10] The term ''Tapes'' refers to the designation assigned in the Consolidated Tape Association (''CTA'') Plan for reporting trades with respect to securities in Networks A, B and C. Tape A securities are those listed on the New York Stock Exchange, Inc.; Tape B securities are listed on NYSE MKT, formerly NYSE Amex, and regional exchanges. Tape C securities are those listed on the NASDAQ Stock Market LLC.

[11] This section in the former Fee Schedule referenced former Explanatory Endnote (2), which provided that, except for Midpoint Peg Zero Display reserve orders (as specified in Rule 11.11(c)(2)(B), only ''Displayed orders'' are eligible for a rebate, and Displayed Orders mean orders that are not ''Zero Display Orders'' (which means ''Zero Display reserve orders'' as specified in Rule 11.11(c)(2)(A)).

| Tier | ADV | Rebate to add liquidity (per share) | Fee to remove liquidity (per share) |
|---|---|---|---|
| 1 ..... | All ..... | Lesser of: 0.25% of trade value [7] and 25% of the quote spread [8] ..... | 0.30% of trade value. |

Section II. Fees and Rebates Applicable in Order Delivery Mode

The fee and rebate structure for Order Delivery Mode under former Section II. of the Fee Schedule was as follows:

Securities $1 and Above (All Tapes):

Each ETP Holder approved for use of Order Delivery Mode (''Order Delivery User'') executing ADV of added liquidity of at least 15 million shares in Order Delivery Mode during a calendar month would receive a per share rebate as follows:

| Tier | ADV of added liquidity | Rebate to add liquidity (per share) |
|---|---|---|
| 1 ..... | ≥ 15 million shares traded ..... | $0.0005 |
| 2 ..... | ≥ 20 million shares traded ..... | 0.0013 |
| 3 ..... | ≥ 25 million shares traded ..... | 0.0017 |

Each Order Delivery User executing ADV of added liquidity in the following amounts through both Order Delivery Mode and Auto Ex Mode during a calendar month would receive a per share rebate on the shares executed through Order Delivery Mode, as well as any volume-based rebate for adding liquidity under Section I. above:

| Tier | Order delivery ADV | Auto Ex. ADV | Rebate to add liquidity (per share executed in order delivery mode) |
|---|---|---|---|
| 1 ..... | ≥ 300,000–749,999 ..... | ≥ 2 million shares traded ..... | $0.0005 |
| 2 ..... | ≥ 750,000 ..... | ≥ 3 million shares traded ..... | 0.0010 |

Additionally, the Fee Schedule provided that an Order Delivery User paid no fee for Order Delivery Notifications delivered by the System to that Order Delivery User for potential execution against a posted displayed or undisplayed order in any security priced at $1.00 and above.

Securities Under $1 (All Tapes):

For securities priced under $1.00, the Fee Schedule further provided that an Order Delivery User paid no fee for any Order Delivery Notification delivered by the System to that Order Delivery User for potential execution against a posted displayed or undisplayed order in any security priced below $1.00.

Section III. (Other Services) Fees and Rebates

Section III A. of the pre-amendment Fee Schedule, Order Routing (All Tapes) provided that orders routed by the Exchange in accordance with Exchange Rule 11.15(a)(ii) [12] were charged a fee of $0.0030 per executed share.

The Fee Schedule further provided that an ETP Holder entering a Double Play Order [13] received a fixed rebate for each share directed to and executed on CBSX of $0.0015 per share. These shares were not included in the ADV calculation or eligible for additional rebates under Section I. of the Fee Schedule. An ETP Holder entering a Double Play Order would not be charged a routing fee under Section III for the initial routing to a designated away Trading Center. Any unexecuted portion of a Double Play Order that is returned and executed on the Exchange shall be subject to either Section I of this Schedule, or a fee of $0.0030 per share under Section III if the order is subsequently routed to an away Trading Center in accordance with Exchange Rule 11.15(a)(ii).

Explanatory Endnotes

Prior to the instant amendments, the Fee Schedule contained Explanatory Endnotes numbered (1) through (14) inclusive, which are as follows, with additional parenthetical explanatory text in certain instances:

(1) As specified in Rule 11.13(b)(1). (This Endnote references a description of Auto Ex Mode relevant to Section I of the pre-amendment Fee Schedule).

(2) Except for Midpoint Peg Zero Display Reserve Orders (as specified in Rule 11.11(c)(2)(B)), only ''Displayed Orders'' are eligible for a rebate. Displayed Orders mean orders that are not ''Zero Display Orders'' (which means ''Zero Display Reserve Orders'' as specified in Rule 11.11(c)(2)(A)).

(3) Reserved.

(4) ''Auto-Ex ADV'' means, with respect to an ETP Holder, the average number of shares the ETP Holder has executed in Auto-Ex Mode on the Exchange in all NMS stocks when the Exchange is open for trading (excluding partial trading days) (or partial month, as applicable). Only shares executed by an ETP Holder in Auto-Ex Mode will be used by the Exchange to calculate the minimum ADV contained in Section I. Regardless of an ETP Holder's Auto-Ex ADV, an ETP Holder shall receive a fixed per share rebate for Midpoint Peg Zero Display Reserve Orders, and that ETP Holder will not be eligible for additional rebates under Section I above.

(5) Reserved.

[12] Rule 11.15(a)(ii) entitled *Routing to Away Trading Centers* describes the handling of orders eligible for routing to other Trading Centers.

[13] Exchange Rule 11.11(c)(10) defined a ''Double Play Order'' as market or limit order for which an ETP Holder instructs the System to route to designated away Trading Centers which are approved by the Exchange from time to time without first exposing the order to the NSX Book. A Double Play Order that is not executed in full after routing away receives a new time stamp upon return to the Exchange and is ranked and maintained in the NSX Book in accordance with Rule 11.14(a).

(6) Market Data Revenue (''MDR'') Rebates:

(a) Assuming the minimum ADV threshold(s) are achieved, an ETP Holder will receive a MDR Rebate (in such percent as is specified above) of the MDR attributable to such ETP Holder's trading and quoting of Displayed Orders at prices equal to or greater than one dollar in Auto-Ex Mode or Order Delivery Mode, as applicable. ETP Holders will not receive MDR Rebates attributable to (x) Zero Display Orders or (y) securities quoted at prices less than one dollar.

(b) Adjustments. To the extent market data revenue from Tape ''A'', ''B'' or ''C'' transactions is subject to any adjustment, rebates provided under this program may be adjusted accordingly.

(c) De Minimis Rebates. An ETP Holder will not receive a MDR Rebate in any calendar quarter in which the MDR Rebate attributable to the ETP Holder is less than $250.

(d) Quarterly Payments. MDR Rebates will be paid on a quarterly basis.

(7) ''Trade value'' means a dollar amount equal to the price per share multiplied by the number of shares executed.

(8) ''Quote spread'' means a dollar amount equal to the number of shares executed multiplied by the difference at the time of execution between (x) the price per share of the national best bid, and (y) the price per share of the national best offer, in each case as such quotes are disseminated pursuant to an effective National Market System plan and as the terms ''national best bid'' and ''national best offer'' are defined in Rule 600 of Regulation NMS; provided, that no rebate based on the quote spread shall be payable during any period in which the market is locked or crossed.

(9) As specified in Rule 11.13(b)(2). A marketable order entered with a handling instruction other than Post Only through an order delivery session by an ETP Holder that is an order delivery participant will be subject to the Auto-Ex Mode fee schedule contained in Section I above. (This Endnote references the description of Order Delivery Mode under Rule 11.13(b)(2) and provides additional information as to the fees applicable in certain instances.)

(10) Reserved.

(11) Orders that are routed via NSX and executed in another market center. (This Endnote provides a description of what constitutes a ''routed order'' for purposes of the fees under Section III.A of the Fee Schedule.

(12) Authorized recipients of the Exchange's Depth of Book feed must execute required documentation with, and be approved by, the Exchange prior to receiving the service.

(13) Upon verification and approval by NSX, the number of shares executed by ETP Holders under common ownership and control will be aggregated for purposes of calculating average daily volumes. *See* Rule 16.3.

(14) In the event of any change to this Fee and Rebate Schedule at other than the end of a calendar month, volume calculations will be made on the basis of such number of full trading days within such month during which the unchanged pricing or rebate program's terms are in effect.

Restructured Fee and Rebate Program

The Exchange is proposing to amend Section I. of the Fee Schedule to eliminate the Variable and Fixed Fee Schedules for securities priced at $1.00 and above across all Tapes and to adopt the fee and rebate structure currently used by CBSX. The Exchange will therefore, consistent with the pricing model in use by CBSX, charge fees to ETP Holders adding liquidity and provide a rebate to ETP Holders removing liquidity. Consequently, the ADV tiers and their associated per share rebates to add liquidity, the fees assessed to remove liquidity, and the Market Data Revenue (''MDR'') rebate under the pre-amendment Fee Schedule, will be rescinded. The Exchange also proposes to eliminate the enhanced rebate for ADV of at least 25,000 shares of added liquidity in Tape B securities.

The Exchange also proposes as a part of these amendments to amend Section II. of the Fee Schedule to eliminate the separate fee and rebate structure applicable to executions by Order Delivery Users in Order Delivery Mode and in some instances through a combination of activity through Auto Ex Mode and Order Delivery Mode. As proposed, there will be one schedule of transaction fees and rebates that will apply in both modes of interaction with the Exchange. The section headings of the Fee Schedule will be renumbered in view of the elimination of the separate Order Delivery Mode Fee Schedule that formerly comprised the content of Section II.

Under the proposed new fee and rebate schedule for Section I., the Exchange will assess a per share fee for adding liquidity, based on a percentage of TCV of liquidity in one day. The maximum fee for adding liquidity will be $0.0018 per executed share, based on the ETP Holder adding less than 0.08% of TCV of liquidity in one day. Proposed amended Section I. of the Fee Schedule provides six additional levels that reduce the per share fee based on successively higher percentages of TCV adding liquidity in one day. The lowest fee of $0.0012 per executed share would apply to ETP Holders adding 0.052% or more of TCV of liquidity in one day.

The Exchange represents that the tiers are designed to progressively reduce the fees assessed to ETP Holders daily as their liquidity provision increases. Specifically, the Exchange believes that every .08 percent increase in liquidity executed with respect to TCV (.09 percent and .10 percent as such ETP Holder's quantity of liquidity provision moves up through the tier levels), produces an additive effect on the revenues collected by the Exchange. Therefore, the Exchange is proposing to incentivize greater liquidity provision by reducing fees payable for providing liquidity as an ETP Holder's level of liquidity provision increases. The Exchange's proposal represents an aspirational effort to attract greater posted liquidity by reduced fees at the specified levels.

The TCV tiers and the associated fees that the Exchange proposes to charge for providing liquidity at the specified levels are as follows:

FEES FOR PROVIDING LIQUIDITY (MAKER)

| | |
|---|---|
| Maker (adds less than 0.08% of TCV of liquidity in one day) | $0.0018 per share. |
| Maker (adds at least 0.08% but less than 0.16% of TCV of liquidity in one day) | 0.0017 per share. |
| Maker (adds at least 0.16% but less than 0.24% of TCV of liquidity in one day) | 0.0016 per share. |
| Maker (adds at least 0.24% but less than 0.33% of TCV of liquidity in one day) | 0.0015 per share. |
| Maker (adds at least 0.33% but less than 0.42% of TCV of liquidity in one day) | 0.0014 per share. |
| Maker (adds at least 0.42% but less than 0.52% of TCV of liquidity in one day) | 0.0013 per share. |
| Maker (adds 0.52% or more of TCV of liquidity in one day) | 0.0012 per share. |
| Zero Display Maker. | |
| Maker (adds liquidity using a Zero Display Order or Zero Display Primary Peg Order) | 0.0018 per share. |

FEES FOR PROVIDING LIQUIDITY (MAKER)—Continued

| | |
|---|---|
| Maker (adds liquidity using a Zero Display Mid-Point Peg or Zero Display Market Peg Order) | 0.0018 per share. |

As noted in the table above, the Exchange proposes fee provisions for ETP Holders adding liquidity through Zero Display Reserve orders.[14] ETP Holders will pay a fee of $0.0018 per executed share of added liquidity using a Zero Display Order; a Zero Display Primary Peg Order; a Zero Display Mid-Point Peg Order; or Zero Display Market Peg Order. The fees for adding liquidity in these order types irrespective of TCV is intended to incentivize ETP Holders to use these ''dark'' orders.

The Exchange has also proposed to specify that transactions that are (i) Taker; (ii) Routed Away; (iii) Zero Display Maker; or (iv) Maker in securities priced below $1.00 will not count toward an ETP Holder's percentage of TCV.

Further, as proposed, the rates for adding liquidity contained in Section I. of the Fee Schedule will apply to all transactions in securities priced at and above $1.00 made by the same ETP Holder on any day in which such ETP Holder adds the established percentage or more of TCV of liquidity.

For ETP Holders removing liquidity, the Exchange proposes to adopt the following rebate schedule:

REBATES FOR REMOVING LIQUIDITY (TAKER)

| | |
|---|---|
| Taker (removes Zero Display Mid-Point Peg or Zero Display Market Peg Order) | $0.0015 rebate per share. |
| Taker (all other order types) | 0.0015 rebate per share. |

The Exchange is proposing to pay a rebate of $0.0015 per executed share to ETP Holders removing liquidity from the NSX Book. Such rebate will also be paid to ETP Holders for removing ''dark'' order types, specifically the Zero Display Mid-Point Peg or Zero Display Market Peg order types.

The Exchange believes that, by offering a rebate to ETP Holders removing liquidity in securities priced at $1.00 or greater, there will be a marked improvement in the quality of execution. It is anticipated that improvement in execution quality should lead to a greater number of market participants attempting to access the resting liquidity on the NSX Book.[15] Furthermore, the Exchange believes that the rebate of $0.0015 to remove liquidity will offer attractive economic incentives to liquidity takers and, in conjunction with the fee structure for liquidity providers, will offer ETP Holders a better quality of execution.

For securities priced below $1.00, the Exchange proposes to retain the existing pre-amendment fee and rebate structure. ETP Holders adding liquidity will receive a per share rebate equal to the lesser of 0.25% of the trade value and 25% of the quote spread at the time of execution. A fee of 0.30% of trade value will be charged to ETP Holders removing liquidity in sub-dollar priced securities.

Pursuant to Exchange Rule 16.3, upon an ETP Holder's request the Exchange will aggregate the activity of the ETP Holder and its affiliates for purposes of applying the fees and rebates applicable to liquidity providers and liquidity takers.

Amendments to Section III; Elimination of Rebate for Double Play Orders

The Exchange proposes that, for orders routed by the Exchange and executed in another market center in accordance with Exchange Rule 11.15(a)(ii), the following fees will apply:

ORDERS ROUTED AWAY

| | |
|---|---|
| Transactions in securities priced $1 or greater. | $0.0030 per share. |
| Transactions in securities priced below $1. | 0.30% of trade value. |

These are the same fees that applied prior to the instant amendments. The proposal by the Exchange also includes eliminating the rebate of $0.0015 per share for Double Play Orders directed to and executed on CBSX.[16] The proposed changes to Section I. of the Fee Schedule provide a rebate for takers of liquidity in the amount of $0.0015 per executed share, which renders unnecessary the specific rebate for a Double Play Order, which is designed to allow ETP Holders to remove liquidity at the designated away Trading Centers.

Elimination of Explanatory Endnotes

The Exchange has also proposed eliminating the Explanatory Endnotes of the Fee Schedule, numbered (1) through (14) inclusive. In certain instances, the Exchange proposes to move the information contained in an Explanatory Endnote to the text of the relevant section of the Fee Schedule; in others, deletion of the Endnote is proposed because the accompanying sections of the Fee Schedule have been deleted.

Endnotes (1) (a reference to the description of Auto Ex Mode in Exchange Rule 11.13) and (9) (a reference to the description of Order Delivery Mode in Rule 11.13 and additional information regarding the fees applicable to an Order Delivery order with instructions other than Post Only), will both be deleted because they are inapposite in the context of the proposed changes to the Fee Schedule and the elimination of separate pricing structures for each mode of order interaction.

Endnote (2) regarding rebates for non-displayed orders is no longer applicable in view of the changes to the pricing model. Similarly, Endnote (4) addresses ''Auto- Ex ADV'' which is no longer relevant in the proposed pricing model.

[14] Pursuant to Exchange Rule 11.11(c)(2)(A), a Reserve Order entered with zero display quantity is a ''Zero Display Reserve Order.'' The price of a Zero Display Reserve Order may be set (''pegged'') to track the buy-side of the Protected BBO, the sell-side of the Protected BBO, or the midpoint of the Protected BBO. A pegged Zero Display Reserve Order which tracks the inside quote of the opposite side of the market is defined as a Market Peg; a pegged Zero Display Reserve Order that tracks the midpoint is defined as a Midpoint Peg; and a pegged Zero Display Reserve Order that tracks the inside quote of the same side of the market is defined as a Primary Peg.

[15] The ''NSX Book'' is the System's electronic file of orders (Exchange Rule 1.5).

[16] *See* Exchange Act Release No. 70890 (November 15, 2013); 78 FR 69900 (November 21, 2013) (SR–NSX–2013–21), cited at footnote 7, *supra.*

Endnote (6) provides information on the MDR, which is being eliminated from the Fee Schedule and thus is no longer needed.

Endnote (7), defining ''trade value'' and Endnote (8), defining ''quote spread'' are proposed to be deleted and their content moved to the body of the Fee Schedule. Also, the text of each of Endnotes (11) through (14) has been moved to the body of the Fee Schedule and the deletion of such Endnotes is proposed.

Finally, Endnotes (3), (5) and (10), which were ''reserved'' will also be deleted.

Pursuant to Exchange Rule 16.1(c), the Exchange will ''provide ETP Holders with notice of all relevant dues, fees, assessments and charges of the Exchange'' through the issuance of a Regulatory Circular of the changes to the Fee Schedule and will provide a copy of the rule filing on the Exchange's Web site, *www.nsx.com.*

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b) of the Act,[17] in general and, in particular, Section 6(b)(4) of the Act,[18] which requires that the rules of a national securities exchange provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities, and with Section 6(b)(5) of the Act,[19] which requires, among other things, that the rules of a national securities exchange not permit unfair discrimination between customers, issuers, brokers, or dealers, and be designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system.

The Exchange submits that the proposed changes in the Fee Schedule to restructure its fee and rebate programs for both Auto Ex Mode and Order Delivery Mode are equitably allocated and reasonable, as required by Section 6(b)(4). The Exchange is proposing to adopt a model whereby an ETP Holder's added liquidity, computed as a daily percentage of the ETP Holder's TCV adding liquidity, will be subject to fees that will decline from $0.0018 per executed share to $0.0012 per executed share as the ETP Holder's percentage of TCV increases. The proposed fees are equitably allocated in that they will apply to all ETP Holders accessing the System, using both Auto Ex Mode and Order Delivery Mode. Each ETP Holder will have the ability to determine the extent to which the Exchange's proposed structure will provide it with an economic incentive to use the System, and model its business accordingly.

Specifically, the Exchange is proposing to eliminate rebates for adding liquidity and the MDR for securities priced at and above $1.00 under Section I. of the Fee Schedule, and instead provide rebates to ETP Holders removing liquidity in securities priced at $1.00 and above will receive a standard rebate of $0.0015 per executed share, including removing Zero Display Mid-Point or Zero Display Market Peg Orders. The Exchange submits that this approach constitutes an equitable allocation of reasonable fees and rebates because the fees and rebates are applicable to all ETP Holders irrespective of the mode of interaction used to access the System.

The Exchange submits that converting the qualification for the different fee tiers for Maker transactions in securities priced $1 or greater, from measuring by nominal amount of shares to measuring by relative percentage of TCV, is reasonable because it allows the Exchange to account for changes in national industry-wide volume. The Exchange believes that the change is equitable and not unfairly discriminatory because it will be applied to all ETP Holders. Further, other exchanges also measure volume using percentage of TCV.

The Exchange further states that its proposals constitute reasonable dues and fees in that they provide for a more simplified and streamlined approach which will benefit both ETP Holders and the Exchange in determining revenues and expenses. In that regard, the change from the pre-amendment fee and rebate structure also aligns the Exchange's fee and rebate programs with those used by other national securities exchanges.[20] The Exchange submits that its proposed fee and rebate structure is reasonable in that it is designed to achieve the goal of maximizing the Exchange's competitive position, simplifying and streamlining its Fee Schedule, and promoting an efficient structure that aligns with that of other exchanges and thereby can operate to reduce the administrative costs and burdens on ETP Holders.

The Exchange believes that retaining the pre-amendment fee and rebate structure for securities priced below $1.00, *i.e.,* ETP Holders adding liquidity will receive a per share rebate equal to the lesser of 0.25% of the trade value and 25% of the quote spread at the time of execution and ETP Holders removing liquidity will be charged a fee of 0.30% of the trade value, is consistent with Section 6(b)(4) of the Act. The pre-amendment fee and rebate structure for sub-dollar securities will be equitably allocated in that all ETP Holders executing orders in such securities will be subject to its provisions; the fee and rebate structure is reasonable in that it recognizes the differences between securities priced below $1.00 and those priced at $1.00 and above and retains the fee and rebate structure that best addresses the Exchange's goals of greater liquidity, price improvement, and execution quality.

As part of the proposed changes, the Exchange will eliminate the rebate of $0.0015 per executed share that it pays to ETP Holders that direct Double Play Orders to CBSX. The Exchange submits that eliminating this rebate is consistent with Section 6(b)(4) of the Act. The proposed change is equitably allocated in that it applies to all executions by ETP Holders using Double Play Orders; the proposal is reasonable in that the proposed rebate changes provide for a rebate in the same amount for all ETP Holders removing liquidity, thereby aligning the treatment of executions of Double Play Orders with that of all other orders removing liquidity and providing for a rebate in the same amount.

The Exchange also believes that the proposed changes described above satisfy the requirements of Section 6(b)(5) of the Act in that they do not permit unfair discrimination between customers, issuers, brokers, or dealers, and are designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system. Under the proposed changes to the Fee Schedule, all ETP Holders executing orders on the Exchange will be subject to one fee and rebate structure applicable to both modes of order interaction, and such changes are thereby designed to meet the requirements of the Section 6(b)(5) that the rules of the Exchange not permit unfair discrimination among ETP Holders and their customers. The Exchange submits that, to the extent that the amendments to the Fee Schedule align with the fee and rebate programs of other exchanges, they will promote just and equitable principles of trade by reducing the administrative burdens

[17] 15 U.S.C. 78f(b).

[18] 15 U.S.C. 78(f)(b)(4).

[19] 15 U.S.C. 78f(b)(5).

[20] *See, e.g.,* NASDAQ OMX BX fee schedule at *www.nasdaqtrader.com/Trader.aspx?id=bx_pricing*; CBSX fee schedule at *www.cboe.com/publish/cbsxfeeschedule/cbsxfeeschedule.pdf.*

and expenses incurred by ETP Holders in determining the revenues and costs associated with its activity on the Exchange.

Moreover, the Exchange believes that offering rebates to ETP Holders removing liquidity in securities priced at $1.00 or greater will incentivize more such liquidity-takers to trade on the Exchange, which will in turn provide greater opportunities for liquidity providers to experience a better execution quality. Improvement in execution quality should, the Exchange posits, lead to a greater number of market participants seeking to access the liquidity on the NSX Book, which would inure to the benefit of all ETP Holders seeking greater and better execution opportunities. In this regard, the Exchange believes that proposed amendments to the Fee Schedule meet the test of an equitable allocation of reasonable dues and fees under Section 6(b)(4) as well as promoting just and equitable principles of trade and operating to remove impediments to and perfect the mechanism of a free and open market and a national market system under Section 6(b)(5).

The Exchange submits that its proposal to eliminate the Explanatory Endnotes of the Fee Schedule, numbered (1) through (14) inclusive, in certain instances moving the information contained in an Explanatory Endnote to the text of the relevant section of the Fee Schedule and in others deleting the Endnote because the accompanying sections of the Fee Schedule have been deleted, is consistent with Section 6(b)(5) of the Act. The Exchange is proposing these amendments to add greater clarity and transparency to the Fee Schedule which, it believes will be enhanced by deleting obsolete references and moving relevant retained Endnote text to the accompanying section of the Fee Schedule. The Exchange submits that these amendments are consistent with Section 6(b)(5) in that they promote just and equitable principles of trade and operate to protect investors and the public interest.

*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 Exchange Act. The proposed rule change seeks to adopt a fee and rebate structure, certain aspects of which are already in use by CBSX, and it will apply to all ETP Holders irrespective of the mode of order interaction used to access the Exchange. The Exchange submits that, given that it previously had separate fee and rebate programs for executions occurring through Auto Ex Mode and Order Delivery Mode, moving to a single schedule for transaction fees and rebates for both modes of order interaction should impose no burden on competition. Moreover, the proposed changes will, the Exchange believes, operate to enhance rather than burden competition by aspiring to increase liquidity and improve execution quality on the Exchange through reasonable and equitably allocated economic incentives.

*C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others*

The Exchange has neither solicited nor received written comments on the proposed rule change.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

The proposed rule change has taken effect upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act[21] and subparagraph (f)(2) of Rule 19b–4.[22]

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.

**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–NSX–2014–05 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NSX–2014–05. 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–NSX–2014–05 and should be submitted on or before March 31, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[23]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05030 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

[21] 15 U.S.C. 78s(b)(3)(A)(ii).

[22] 17 CFR 240.19b–4.

[23] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71648; File No. SR–CBOE–2014–017]**

## Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of a Proposed Rule Change, as Modified by Amendment 1, To Amend Its Rules Related to Complex Orders

March 5, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

notice is hereby given that on February 19, 2014, Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. On March 3, 2014, the Exchange filed Amendment No. 1 to the proposed rule change. 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 amend its rules related to complex orders. The text of the proposed rule change is provided below.

(additions are *italicized;* deletions are [bracketed])

* * * * *

**Chicago Board Options Exchange, Incorporated Rules**

* * * * *

**Rule 6.53C. Complex Orders on the Hybrid System**

(a) Definition: No change.

(b) Types of Complex Orders: No change.

(c) Complex Order Book

No change.

(d) Process for Complex Order RFR Auction: Prior to routing to the COB or once on PAR, eligible complex orders may be subject to an automated request for responses (''RFR'') auction process.

(i) For purposes of paragraph (d):

(1) ''COA'' is the automated complex order RFR auction process.

(2) A ''COA-eligible order'' means a complex order that, as determined by the Exchange on a class-by-class basis, is eligible for a COA considering the order's marketability (defined as a number of ticks away from the current market), size, complex order type (as defined in paragraphs (a) and (b) above) and complex order origin types (as defined in subparagraph (c)(i) above). Complex orders processed through a COA may be executed without consideration to prices of the same complex orders that might be available on other exchanges.

(ii) Initiation of a COA: On receipt of *(1)* a COA-eligible order *with two legs* and request from the Trading Permit Holder representing the order *or the PAR operator handling the order, as applicable,* that it be COA'd *or (2) a complex order with three or more legs, regardless of the order's routing parameters or handling instructions (except for orders routed for manual handling),* the [Exchange]*System* will send an RFR message to all Trading Permit Holders who have elected to receive RFR messages. *Notwithstanding clause (2) of this subparagraph (ii), the System will reject back to a Trading Permit Holder any complex order with three or more legs that includes a request pursuant to Interpretation and Policy .04 that the order not COA. Any complex order with three or more legs on PAR will COA even if the PAR operator requests that the order not COA.* The RFR message will identify the component series, the size and side of the market of the COA-eligible order and any contingencies, if applicable.

(iii)–(ix) No change.

. . . Interpretations and Policies:

.01–.09 No change.

.10 Execution of Complex Orders in Hybrid 3.0 Classes: For each class trading on the Hybrid 3.0 Platform, the Exchange may determine to not allow marketable complex orders entered into COB and/or COA to automatically execute against individual quotes residing in the EBook. The Exchange also may determine for each class trading on the Hybrid 3.0 Platform to not allow leg orders to be generated pursuant to paragraph (c)(iv) for complex orders resting in the COB. The allocation of such marketable complex orders against orders residing in the EBook and other complex orders shall be based on the best net price(s) and, at the same net price, multiple orders will be allocated as provided in paragraphs (c) and/or (d) in the Rule, as applicable, subject to the following:

(a)–(d) No change.

*(e) On receipt of any COA-eligible order, the Exchange will send an RFR message to all Trading Permit Holders who have elected to receive RFR messages. The RFR message will identify the component series, the size and side of the market of the COA-eligible order and any contingencies, if applicable.*

.11–.12 No change.

* * * * *

The text of the proposed rule change is also available on the 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

Under Rule 8.18, CBOE offers Market-Makers that are obligated to provide and maintain continuous electronic quotes in an option class the Quote Risk Monitor Mechanism (''QRM''), which is functionality to help Market-Makers manage their quotes and related risk. Market-Makers with appointments in classes that trade on the Exchange's Hybrid Trading System (the ''System'') [3] must, among other things, provide and maintain continuous electronic quotes in a specified percentage of series in each class for a specified percentage of time.[4] To comply with this requirement, each Market-Maker may use its own proprietary quotation and risk management system to determine the prices and sizes at which it quotes. In addition, each Market-Maker may use QRM.

A Market-Maker's risk in a class is not limited to the risk in a single series of that class. Rather, a Market-Maker is generally actively quoting in multiple classes, and each class may comprise hundreds or thousands of individual series. The System automatically executes orders against a Market-Maker's quotes in accordance with the Exchange's priority and allocation rules.[5] As a result, a Market-Maker has exposure and risk in all series in which it is quoting in each of its appointed classes. QRM is an optional functionality that helps Market-Makers, and TPH organizations with which a Market-Maker is associated, limit this overall exposure and risk.

Specifically, if a Market-Maker elects to use QRM, the System will cancel a Market-Maker's quotes in all series in an appointed class if certain parameters the Market-Maker establishes are triggered. Market-Makers may set the following QRM parameters (Market-Makers may set none, some or all of these parameters):

- a maximum number of contracts for that class (the ''contract limit'') and a specified rolling time period in seconds within which such contract limit is to

[3] The System is a trading platform that allows automatic executions to occur electronically and open outcry trades to occur on the floor of the Exchange. To operate in this ''hybrid'' environment, the Exchange has a dynamic order handling system that has the capability to route orders to the trade engine for automatic execution and book entry, to Trading Permit Holder and PAR Official workstations located in the trading crowds for manual handling, and/or to other order management terminals generally located in booths on the trading floor for manual handling. Where an order is routed for processing by the Exchange order handling system depends on various parameters configured by the Exchange and the order entry firm itself.

[4] *See* Rules 8.7(d)(ii)(iv) (Market-Makers), 8.13(d) (Preferred Market-Makers), 8.15A(b)(i) (Lead Market-Makers) and 8.85(a)(i) (Designated Primary Market-Makers).

[5] *See* Rules 6.45A, 6.45B and 6.53C.

be measured (the ''measurement interval'');

• a maximum cumulative percentage (which is the sum of the percentages of the original quoted size of each side of each series that trade) (the ''cumulative percentage limit'') that the Market-Maker is willing to trade within a specified measurement interval; or

• a maximum number of series for which either side of the quote is fully traded (the ''number of series fully traded'') within a specified measurement interval.

If the Exchange determines the Market-Maker has traded more than the contract limit or cumulative percentage limit, or has traded at least the number of series fully traded, of a class during the specified measurement interval, the System will cancel all of the Market-Maker's electronic quotes in that class (and any other cases with the same underlying security) until the Market-Maker refreshes those quotes (a ''QRM Incident''). A Market-Maker, or TPH organization with which the Market-Maker is associated, may also specify a maximum number of QRM Incidents that may occur on an Exchange-wide basis during a specified measurement interval. If the Exchange determines that a Market-Maker or TPH Organization, as applicable, has reached its QRM Incident limit during the specified measurement interval, the System will cancel all of the Market-Maker's or TPH Organization's quotes, as applicable, and the Market-Maker's orders resting in the book in all classes and prevent the Market-Maker and TPH organization from sending additional quotes or orders to the Exchange until the earlier to occur of (1) the Market-Maker or TPH organization reactivates this ability or (2) the next trading day.

The purpose of the QRM functionality is to allow Market-Makers to provide liquidity across most series in their appointed classes without being at risk of executing the full cumulative size of all their quotes before being given adequate opportunity to adjust their quotes. For example, if a Market-Maker can enter quotes with a size of 25 contracts in 100 series of class ABC, its potential exposure is 2,500 contracts in ABC. To mitigate the risk of having all 2,500 contracts in ABC execute without the opportunity to evaluate its positions, the Market-Maker may elect to use QRM. If the Market-Maker elects to use the contract limit functionality and sets the contract limit at 100 and the measurement interval at five seconds for ABC, the System will automatically cancel the Market-Maker's quotes in all series of ABC if 100 or more contracts in series of ABC execute during any five-second period.

To assure that all quotations are firm for their full size, the System performs the parameter calculations after an execution against a Market-Maker's quote occurs. For example, using the same parameters in class ABC as above, if a Market-Maker has executed a total of 95 contracts in ABC within the previous three seconds, a quote in a series of ABC with a size of 25 contracts continues to be firm for all 25 contracts. An incoming order in that series could execute all 25 contracts of that quote, and, following the execution, the total size parameter would add 25 contracts to the previous total of 95 for a total of 120 contracts executed in ABC. Because the total size executed within the previous five seconds now exceeds the 100 contract limit for ABC, the System would, following the execution, immediately cancel all of the Market-Maker's quotes in series of ABC. The Market-Maker would then enter new quotes for series in ABC. Thus, QRM limits the amount by which a Market-Maker's executions in a class may exceed its contract limit to the largest size of its quote in a single series of the class (or 25 in this example).

The Exchange proposes to amend Rule 6.53C regarding complex orders to limit a potential source of unintended Market-Maker risk related to how the System calculates risk parameters under Rule 8.18 when complex orders leg into the market.[6] As discussed above, by checking the risk parameters following each execution in a series, the risk parameters allow a Market-Maker to provide liquidity across multiple series of a class without being at risk of executing the full cumulative size of all its quotes. This is not the case, however, when a complex order legs into the regular market (*i.e.* the market for individual, or simple, orders). Because the execution of each leg of a complex order is contingent on the execution of the other legs, the execution of all the legs in the regular market is processed as a single transaction, not as a series of individual transactions.

For example, if market participants enter into the System individual orders to buy 25 contracts for the Jan 30 call, Jan 35 call, Jan 40 call and Jan 45 call in class ABC, the System processes each order as it is received and calculates the Market-Makers parameters in class ABC following the execution of each 25-contract call. However, if a market participant enters into the System a complex order to buy all four of these strikes in class ABC 25 times, which complex order executes against bids and offers for the individual series (*i.e.* legs into the market), the System will calculate the Market-Maker's parameters in class ABC following the execution of all 100 contracts. If the Market-Maker had set the same parameters in class ABC as discussed above (100-contract limit with five-second measurement interval) and had executed 95 contracts in class ABC within the previous three seconds, the amount by which the next transaction might exceed 100 is limited to the largest size of its quote in a single series of the class. In that example, since the largest size of the Market-Maker's quotes in any series was 25 contracts, the Market-Maker could not have exceeded the 100-contract limit by more than 20 contracts (95 + 25 = 120). However, with respect to the complex order with four legs 25 times, the next transaction against the Market-Maker's quotes potentially could be as large as 100 contracts (depending upon whether there are other market participants at the same price), creating the potential in this example for the Market-Maker to exceed the 100-contract limit by 95 contracts (95 + 100 = 195) instead of 20 contracts.

As this example demonstrates, legging of complex orders into the regular market presents higher risk to Market-Makers than executing their quotes against individual orders entered in multiple series of a class in the regular market, because it may result in Market-Makers exceeding their risk parameters by a greater number of contracts. This risk is directly proportional to the number of legs associated with a complex order. Market-Makers have expressed concerns to the Exchange regarding this risk.

To address this Market-Maker risk, the Exchange proposes to require all complex orders with three or more legs

[6] Rule 6.53C(c)(ii)(1) provides that complex orders in the complex order book (''COB'') may execute against individual orders or quotes in the book provided the complex order can be executed in full (or a permissible ratio) by the orders and quotes in the book. Rule 6.53C(d)(v)(1) provides that orders that are eligible for the complex order auction (''COA'') may trade with individual orders and quotes in the book provided the COA-eligible order can be executed in full (or a permissible ratio) by the orders and quotes in the book. COA is an automated request for responses (''RFR'') auction process. Upon initiation of a COA, the Exchange sends an RFR message to all Trading Permit Holders who have elected to receive RFR messages, which RFR message identifies the series, size and side of the market of the COA-eligible order and any contingencies. Eligible market participants may submit responses during a response time interval. At the conclusion of the response time interval, COA-eligible orders are allocated in accordance with Rule 6.53C(d)(v), including against individual orders and quotes in the book.

to COA prior to entering the COB.[7] Under Rule 6.53C(d)(i)(2), the Exchange may determine on a class-by-class which complex orders are eligible for COA, including by complex order type and origin type.[8] Rule 6.53C(d)(ii) provides that the Exchange will initiate a COA on receipt of a COA-eligible order and request from the Trading Permit Holder representing the order that it be COA'd. The Exchange proposes to amend Rule 6.53C(d)(ii) to provide that the System[9] will initiate a COA on receipt of (1) a COA-eligible order with two legs and request from the Trading Permit Holder representing the order that it be COA'd or (2) a complex order with three or more legs, regardless of the order's routing parameters (*e.g.,* request to route directly to COB, all-or-none order, immediate-or-cancel) or handling instructions (except for orders routed for manual handling).[10] Thus, all complex orders in Hybrid classes with three or more legs will automatically COA (other than those routed for manual handling) prior to entering the COB where they can leg into the market.[11] Additionally, the Exchange proposes to amend Rule 6.53C(d)(ii) to provide that notwithstanding proposed clause (2) described above, the System will reject back to a Trading Permit Holder any complex order with three or more legs that includes a request pursuant to Interpretation and Policy .04 that the order not COA.[12] This will prevent a Trading Permit Holder from using a routing parameter request to not COA a complex order with three or more legs to bypass the protection provided by the automatic COA functionality proposed in this filing while providing the Trading Permit Holder with an opportunity to reconsider how to handle the complex order.

The Exchange notes that approximately 90% of complex orders submitted to the Exchange have only two legs. Additionally, as discussed above, orders in Hybrid classes of all order types except IOC orders and all order origin codes except Market-Maker and away market-maker orders are currently COA-eligible.[13] Currently, all Trading Permit Holders have requested that all of their COA-eligible orders in Hybrid classes process through COA upon entry into the System. Thus, the proposed rule change will only impact a small percentage of complex orders that enter into the System, as a large percentage of complex orders entered into the System are only two legs or already COA prior to execution. The Exchange also notes that complex orders with three or more legs will still have opportunities for execution through COA or on the COB if they do not execute at the end of the COA (including execution with the leg markets). The Exchange notes that the rules contain provisions that prevent the execution of complex orders that might otherwise be executable.[14] Thus, the Exchange believes that requiring complex orders with three or more legs to COA prior to entering COB and legging into the regular market does not create any unusual circumstances for the System. The Exchange believes that the potential risk to Market-Makers in the regular market of allowing orders with three or more legs to directly enter COB and leg into the market far outweighs the potential benefit of continuing to allow COA to be voluntary for a limited number of orders.

The Exchange believes that requiring complex orders in Hybrid classes with three or more legs to COA prior to entering COB and legging into the market will discourage market participants from continuing to enter the ''complex orders'' that expose Market-Makers to the risk described above. Those ''complex orders'' that primarily create this risk are generally IOC complex orders (which are the only order type that currently does not COA in Hybrid classes) with a large number of legs that generally execute immediately against prices in the leg markets, which do not appear to have investment strategies similar to traditional complex orders but instead are specifically designed to circumvent QRM settings. The proposed rule change eliminates the possibility of immediate executions of these ''complex orders.'' Market participants may still enter these ''complex orders.'' However, if they do, the ''complex orders'' will COA, which COA will allow Market-Makers to become aware of these ''complex orders'' and have adequate opportunity to react accordingly, including to adjust their quotes to avoid circumvention of their QRM settings. If a Market-Maker receives an RFR for a COA for one of these ''complex orders'' in one of its appointed Hybrid classes, and the Market-Maker believes the order may execute against its quotes and cause executions that significantly exceed its contract limit in that class, the Market-Maker may adjust its quotes as it deems necessary to reduce its risk exposure prior to the ''complex order'' legging into the market and being presented to the Market-Maker for execution. The Exchange believes the proposed rule change will allow Market-Makers to better manage their risk in their appointments, as it will reduce the risk of these ''complex orders'' causing executions that significantly exceed Market-Makers' risk parameters. The Exchange believes this reduced risk will encourage Market-Makers to quote larger size, which will increase liquidity and enhance competition in those classes.

The Exchange notes that the proposed rule change does not impact the allocation of complex orders or relieve Market-Makers of their obligations to provide continuous electronic quotes under the Exchange Rules or to provide ''firm'' quotes pursuant to CBOE Rule 8.51 or Rule 602 of Regulation NMS.

The proposed rule change also amends Rule 6.53C(d)(ii) to provide that PAR operators handling an order may request that a COA-eligible order be

[7] This proposed change applies to Hybrid classes only, and not Hybrid 3.0 classes. The Exchange does not believe the risk discussed in this rule filing is present in Hybrid 3.0 classes. The proposed rule change amends Rule 6.53C, Interpretation and Policy .10 to indicate that complex orders in Hybrid 3.0 classes, regardless of the number of legs, will COA in the same manner they currently do.

[8] Currently, in all Hybrid classes, customer, firm and broker-dealer complex orders are eligible for COA, and all complex order types except for immediate-or-cancel (''IOC'') orders are eligible for COA in all Hybrid classes. Additionally, only marketable orders and ''tweeners'' (limit orders bettering the same side of the derived net market) are eligible for COA. For Hybrid 3.0 classes (*i.e.* SPX), all complex order types (including IOC orders) are eligible for COA, but only customer complex orders are eligible for COA. *See* Regulatory Circulars RG06–73, RG08–38 and RG08–97.

[9] The proposed rule change amends the language to say that the System will send the RFR message rather than the Exchange. Because the System will automatically send the RFR message when the conditions set forth in Rule 6.53C(d)(ii) are met, the Exchange believes using the term ''System'' in the rule text is appropriate.

[10] The Exchange notes that if a complex order with three or more legs contains an instruction to route for manual handling, such as to PAR, and through such manual handling routes to the COB, the proposed rule change provides that order will COA prior to entry on the COB, even if the PAR operator requests that the order not COA.

[11] The Exchange notes that this automatic COA applies only to complex orders and not stock-option orders.

[12] Rule 6.53C, Interpretation and Policy .04 provides that Trading Permit Holders routing complex orders directly to the COB may request that the complex orders be COA'd on a class-by-class basis and Trading Permit Holders with resting complex orders on PAR may request that complex orders be COA'd on an order-by-order basis. As discussed above, the Exchange intends to propose in a separate rule filing to amend Interpretation and Policy .04 to allow Trading Permit Holders to request that complex orders not COA on an order-by-order basis, in addition to a class-by-class basis.

[13] *See supra* note 8.

[14] *See, e.g.,* Rules 6.45A(a) and 6.45B(a) (priority overlays, such as public customer) and Rule 6.53C, Interpretation and Policy .08 (price check parameters).

COA'd. Currently, Rule 6.53C(d)(ii) states that a Trading Permit Holder representing an order may request that the order be COA'd. However, other parts of the rules provide that orders resting on PAR may also COA.[15] The introductory language to Rule 6.53C(d) also states that complex orders may be subject to COA once on PAR. Currently, the part of the rule regarding initiation of a COA states that Trading Permit Holders may initiate a COA. In order to have more consistency within the rules, the Exchange believes that it is appropriate to include in the part of the rule that describes the initiation of a COA that orders on PAR may be submitted to COA by the PAR operator, in addition to orders submitted directly to the System by Trading Permit Holders.

The Exchange will announce the implementation date of the proposed rule change in a Regulatory Circular to be published no later than 90 days following the effective date. The implementation date will be no later than 180 days following the effective date.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[16] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[17] 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 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[18] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the Exchange believes it is reasonable to require complex orders in Hybrid classes with three or more legs to COA. In this respect, the Exchange notes that the vast majority of complex orders in Hybrid classes consist of only two legs, and the majority of complex orders already COA upon entry into the System—those orders will be unaffected by this proposed rule change. The proposed rule change will essentially only impact the complex orders in Hybrid classes with three or more legs that are currently not eligible for COA (many of which the Exchange believes do not have investment strategies of traditional complex orders). The Exchange believes this impact is minimal, as these orders will still have opportunities for execution through a COA, in the COB, or in the leg markets following the end of the COA. Further, the Exchange believes that the potential risk of not requiring these orders to COA prior to entering the COB and legging into the market limits the amount of liquidity that Market-Makers are willing to provide in the regular market. In particular, Market-Makers may reduce the size of their quotations in the regular market because of the presence of these ''complex orders'' that are designed to circumvent QRM and risk the execution of the cumulative size of Market-Makers' quotations across multiple series without Market-Makers' being aware of these ''complex orders'' or having an opportunity to adjust their quotes. Accordingly, the Exchange believes that reducing Market-Maker risk in the regular market by requiring complex orders in Hybrid classes with three or more legs to COA will benefit investors by encouraging additional liquidity in the regular market. This potential benefit to investors far exceeds any perceived detriment to requiring certain ''complex'' orders to COA prior to potential interaction with the leg markets. The Exchange also believe it is appropriate to reject any complex orders with three or more legs for which a Trading Permit Holder does not include a COA request, and to automatically COA any complex order with three or more legs on PAR even if the PAR operator requests that the order not COA, because a Trading Permit Holder or PAR operator, as applicable, would otherwise be able to bypass this Market-Maker protection.

The Exchange also believes the proposed rule change to require all complex orders with three or more legs to COA is consistent with the requirement that Market-Makers' quotes be firm under Rule 602 of Regulation NMS.[19] The proposed rule change does not relieve Market-Makers of their obligation to provide ''firm'' quotes. If a complex order in a Hybrid class with three or more legs goes through COA and then legs into the market for execution upon completion of the COA, at which point the complex order would execute against a Market-Maker's quotes based on priority rules, the Market-Maker must execute its quotes against the order at its then-published bid or offer up to its published quote size, even if such execution would cause the Market-Maker to significantly exceed its risk parameters. However, as discussed above, prior to the end of COA (and thus prior to a complex order legging into the market), a Market-Maker may adjust its published quotes to manage its risk in a class as it deems necessary, including to prevent executions that would exceed its risk parameters. In this case, the firm quote rule does not obligate the Market-Maker to execute its quotes against the complex order at the quote price and size that was published when the order entered the System and initiated the COA. Rather, the Market-Maker's firm quote obligation applies only to its disseminated quote at the time an order is presented to the Market-Maker for execution, which presentation does not occur until the System processes the order against the leg markets after completion of the COA.[20] Thus, the

[15] *See, e.g.,* Rule 6.53C, Interpretation and Policy .04(a) (which states that Trading Permit Holders with resting complex orders on PAR may request that complex orders be COA'd).

[16] 15 U.S.C. 78f(b).

[17] 15 U.S.C. 78f(b)(5).

[18] *Id.*

[19] Rule 602(b)(2) obligates a Market-Maker to execute any order to buy or sell a subject security presented to it by another broker or dealer or any other person belonging to a category of persons with whom the Market-Maker customarily deals, at a price at least as favorable to the buyer or sell as the Market-Maker's published bid or offer in any amount up to its published quotation size. Rule 602(b)(3) provides that no Market-Maker is obligated to execute a transaction for any subject security to purchase or sell that subject security in an amount greater than its revised quotation size if, prior to the presentation of an order for the purchase or sale of a subject security, the Market-Maker communicated to the Exchange a revised quotation size. Similarly, no Market-Maker is obligated to execute a transaction for any subject security if, before the order sought to be executed is presented, the Market-Maker has communicated to the Exchange a revised bid or offer. CBOE Rule 8.51 imposes a similar obligation (Market-Maker must sell (buy) at least the established number of contracts at the offer (bid) which is displayed when the Market-Maker receives a buy (sell) order at the trading station where the reported security is located for trading; however, no Market-Maker is obligated to execute a transaction for a listed option when, prior to the presentation of an order to sell (buy) to the Market-Maker, the Market-Maker has communicated to the Exchange a revised quote).

[20] *See Staff Legal Bulletin No. 16, Transaction in Listed Options Under Exchange Act Rule 11Ac1–1,* U.S. Securities and Exchange Commission, Division of Market Regulation, January 20, 2004 (''Scenario 3: When an Order is ''Presented'' . . . If an individual market maker generates its own quotations . . . and exchange systems route incoming orders to the responsible broker-dealer with priority, when is an order presented to a responsible broker-dealer? Response: . . . . When each market maker is the responsible broker-dealer

Continued

proposed rule change is consistent with the firm quote rule.

The Exchange believes that the proposed rule change to provide that PAR operators handling an order may request a COA for a COA-eligible order is consistent with the Act because the Exchange rules already allow orders on PAR to be submitted to COA, as described above. This proposed rule change merely includes this ability in the rule provision that describes how a COA may be initiated to more completely and accurately describe the circumstances in which an order may COA.

*B. Self-Regulatory Organization's Statement on Burden on Competition*

CBOE 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. The proposed rule change to require all complex orders with three or more legs to COA addresses concerns that Market-Makers raised to the Exchange and is intended to reduce risk to Market-Makers that are quoting in the regular market. CBOE believes that the proposed rule change will promote competition by encouraging Market-Makers to increase the size of and to more aggressively price their quotes, which will increase liquidity on the Exchange. The proposed rule change applies in the same manner to all complex orders in Hybrid classes of three or more legs and is intended to reduce risk for all Market-Makers that electronically quote in Hybrid classes.

The proposed rule change to provide that PAR operators handling an order may request a COA for a COA-eligible order is consistent with current Exchange rules and thus has no competitive impact.

*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.

with respect to its own quote, an order is presented to it when received by the market maker from the exchange system.''). When a complex order is processing through COA, the order is still in the System and has not yet been presented to a broker or dealer (including a Market-Maker) for execution. Only after completion of the COA, when the System allocates the complex order for execution in accordance with priority rules, will that order be ''presented'' to the Market-Maker for firm quote purposes.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission will:

A. By order approve or disapprove such proposed rule change, or

B. institute proceedings to determine whether the proposed rule change should be 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–CBOE–2014–017 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–CBOE–2014–017. 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 20549–1090 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–CBOE–2014–017, and should be submitted on or before March 31, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[21]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05071 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71642; File No. SR–FINRA–2014–003]**

## Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Designation of Longer Period for Commission Action on a Proposed Rule Change To Amend FINRA's Corporate Financing Rules To Simplify and Refine the Scope of the Rules

March 4, 2014.

On January 9, 2014, Financial Industry Regulatory Authority, Inc. (''FINRA'') 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 FINRA's corporate financing rules to simplify and refine the scope of the rules. The proposed rule change was published for comment in the **Federal Register** on January 29, 2014.[3] To date, the Commission has received two comment letters on the proposal.[4]

Section 19(b)(2) of the Act[5] provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up

[21] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 71372 (Jan. 23, 2014), 79 FR 4793.

[4] *See* Letter from Suzanne Rothwell, Managing Member, Rothwell Consulting LLC, to Elizabeth M. Murphy, Secretary, Commission, dated February 10, 2014; Letter from Sean Davy, Managing Director, Corporate Credits Market Division, Securities Industries and Financial Markets Association, to Elizabeth M. Murphy, Secretary, Commission, dated February 18, 2014.

[5] 15 U.S.C. 78s(b)(2).

to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether the proposed rule change should be disapproved. The 45th day for this filing is March 15, 2014.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period to take action on the proposed rule change so that it has sufficient time to consider FINRA's proposal and the comment letters it has received regarding this proposal.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[6] designates April 28, 2014, as the date by which the Commission shall either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR–FINRA–2014–003).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05085 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71644; File No. SR–CBOE–2013–126]**

## Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Order Approving Proposed Rule Change Relating to Supervision

March 4, 2014.

### I. Introduction

On December 18, 2013, Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') filed with the Securities and Exchange Commission (the ''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b-4 thereunder,[2] a proposed rule change to require each Trading Permit Holder (''TPH'') [3] to establish and maintain a system of supervision and written supervisory procedures.

The proposed rule change was published for comment in the **Federal Register** on January 2, 2014.[4] The Commission received no comments on the proposal. The text of the proposed rule change is available at the Exchange's Office of the Secretary, on the Exchange's Web site at *http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx,* and at the Commission's Public Reference Room.

This order approves the proposed rule change.

### II. Description of the Proposal

The Exchange believes that it does not currently have a comprehensive rule that directly addresses the obligation of every TPH to properly supervise its business and employees. The only supervision obligations that are expressly codified in CBOE's Rules are in Rule 4.2 (*Adherence to Law*) and Rule 9.8 (*Supervision of Accounts*). While the former requires a TPH to supervise persons associated with the TPH, it does not expressly require the establishment and maintenance of a system of supervision or written procedures covering each line of business. The latter, a component of Chapter 9 of the CBOE Rulebook (*Doing Business with the Public*), does provide explicit supervisory obligations, however, it is applicable only to TPHs conducting non-TPH customer business in options.

CBOE proposes to adopt CBOE Rule 4.24, which would require every TPH to establish and maintain a system of supervision and written supervisory procedures for each of their business activities and the activities of their associated persons. In particular, the proposed rule would require TPHs to: (1) Establish, maintain, and enforce written supervisory procedures; (2) inspect every office or location of the TPH at least once every three calendar years; and (3) conduct an annual review and submit to the Exchange on an annual basis a written report on the TPH's supervision and compliance efforts during the preceding year.

The proposed rule would mirror many of the requirements in CBOE Rule 9.8, such as requiring TPHs to: (1) Establish, maintain, and enforce written supervisory procedures; (2) conduct office inspections; and (3) conduct an annual review and submit to the Exchange an annual written report on the TPH's supervision and compliance efforts during the preceding year. The proposed rule would not, however, be limited to supervision of activities related only to TPHs conducting non-TPH customer business in options.

CBOE believes that the proposed rule would impose a more definitive supervision requirement on TPHs than is currently contained in the Exchange's rules, and would cover all business activities of a TPH.[5] In particular, the proposed rule would clearly place responsibility on TPHs to establish and maintain a formal plan of supervision that covers each of their business activities and associated persons. Consequently, the Exchange believes the proposed rule would clarify: (1) The responsibility of the TPH for the acts of its associated persons; and (2) the requirement of each TPH to supervise those associated persons for which it is responsible. In addition, CBOE believes that the proposed rule would provide greater utility for enforcing TPH obligations for all its business areas such as proprietary trading.

### III. Discussion and Commission Findings

After careful review of the proposal, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange.[6] In particular, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act, 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 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.[7]

The Commission ''has long emphasized that the responsibility of broker-dealers to supervise their

[6] 15 U.S.C. 78s(b)(2).

[7] 17 CFR 200.30–3(a)(31).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] Article 1, Section 1.1(f) of the Exchange's Bylaws defines ''Trading Permit Holder'' to mean ''any individual, corporation, partnership, limited liability company or other entity authorized by the Rules that holds a Trading Permit.'' The proposed rule would also apply to CBOE Stock Exchange (''CBSX'') Trading Permit Holders. CBSX is CBOE's stock trading facility.

[4] *See* Exchange Act Release No. 71190 (Nov.14, 2013), 79 FR 169 (Jan. 2, 2014).

[5] The Exchange modeled its proposed rule after rules of other self-regulatory organizations, *e.g.,* PHLX Rule 748, NASD Rule 3010, FINRA Rule 3130, NYSE Amex Rule 320, NYSE Rule 342, and NYSE Arca Options Rule 11.18.

[6] In approving the proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

[7] 15 U.S.C. 78f(b)(5).

employees is a critical component of the federal regulatory scheme.''[8] Effective and comprehensive supervisory policies and procedures, among other things, are critical to a firm's ability to surveil for misconduct.

Accordingly, the Commission believes the proposed rule change would help TPHs prevent fraudulent and manipulative acts and practices and improve investor protection by requiring TPHs to clearly delineate their supervisory obligations.

In particular, the Commission believes that compelling every TPH to establish and maintain written supervisory procedures regarding each of their business activities and associated persons would provide TPHs and their supervisory personnel with a clearer understanding of their supervisory responsibilities to help them carry out those responsibilities. In addition, the Commission believes that requiring TPHs to inspect all of their offices or locations at least once every three calendar years would strengthen TPHs' ability to carry out their compliance and surveillance functions. Similarly, the Commission believes that requiring TPHs to conduct an annual review and submit to the Exchange on an annual basis a written report on the TPH's supervision and compliance efforts during the preceding year would help foster a culture of compliance within each TPH by promoting a dialogue throughout the TPH of its compliance efforts and procedures.

By requiring written supervisory procedures and inspections that are reasonably designed to prevent and detect violations of applicable securities laws and regulations, as well as Exchange rules, the proposed rule would help to ensure that TPHs have the necessary processes in place to identify potential rule violations or inappropriate activity. Consequently, the Commission believes that the Exchange's proposal would foster an environment within each TPH that is more likely to help decrease the likelihood of fraudulent and manipulative acts and practices and increase investor protection.

Accordingly, the Commission believes that the proposed rule change is consistent with the Act.

## IV. Conclusion

*It is therefore ordered,* pursuant to Section 19(b)(2) of the Act,[9] that the proposed rule change (SR–CBOE–2013–126) be, and hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05031 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

[8] Commission, Division of Market Regulation (now known as Division of Trading and Markets), Staff Legal Bulletin No. 17: Remote Office Supervision (Mar. 19, 2004).

[9] 15 U.S.C. 78s(b)(2).

[10] 17 CFR 200.30–3(a)(12).

## SECURITIES AND EXCHANGE COMMISSION

**[Release No. 34–71646; File No. SR–OCC–2014–03]**

## Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change to Comply With Recently Adopted Commodity Futures Trading Commission Requirements for Derivatives Clearing Organizations That Accept Deposits of Futures Customer Funds

March 4, 2014.

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 February 19, 2014, The Options Clearing Corporation (''OCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change described in Items I and II below, which Items have been prepared primarily by OCC. OCC filed the proposed rule change pursuant to Section 19(b)(3)(A)[3] of the Act and Rule 19b–4(f)(4)(ii)[4] thereunder, so that the proposal was effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the rule change from interested parties.

### I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

This proposed rule change by OCC would amend OCC's By-Laws and Rules to allow OCC to comply with recently adopted Commodity Futures Trading Commission (''CFTC'') requirements for derivatives clearing organizations (''DCOs''), such as OCC, that accept deposits of futures customer funds from futures commission merchants (''FCMs'').

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(4)(ii).

### II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

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

*(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

1. Purpose

OCC is proposing to modify its rules to allow it to comply with new CFTC requirements imposed on depositories that accept deposits of futures customer funds from FCMs. Recent amendments to CFTC Regulation § 1.20[5] require that FCMs only deposit futures customer funds with depositories that agree to grant the CFTC's Division of Swap Dealer and Intermediary Oversight (''DSIO'') and the CFTC's Division of Clearing and Risk, as well as representatives of the FCM's designated self-regulatory organization, certain access and examination rights (''CFTC Access and Examination Rights'').[6] OCC, as a CFTC-registered DCO, functions as a depository with respect to any futures customer funds deposited by clearing members that are FCMs. Consequently, for these FCM clearing members to continue to use OCC as their DCO, OCC must agree to comply with the CFTC Access and Examination Rights. Pursuant to CFTC Regulation § 1.20(d)(1),[7] OCC and the clearing member may make this agreement either by providing a written acknowledgment

[5] 17 CFR 1.20.

[6] CFTC Regulation § 1.20(d)(3) (17 CFR 1.20(d)(3)) also provides that FCMs may only deposit futures customer funds with depositories that agree to provide the director of the DSIO with ''direct, read-only electronic access to transaction and account balance information'' for the futures customer accounts. Based on discussions with staff from the CFTC's Division of Clearing and Risk on December 16, 2013 and subsequently confirmed via email, it is OCC's understanding that, as a DCO that serves as a depository with respect to deposits of futures customer funds by its clearing members that are FCMs, it will not be required to provide this direct electronic access, because the CFTC did not intend for the requirement set forth in § 1.20(d)(3) to apply to a DCO that has submitted to the CFTC rules that provide for the segregation of customer funds in accordance with all relevant provisions of the Commodity Exchange Act and the rules and orders promulgated thereunder. Consequently, OCC is not including this direct electronic access requirement among the other CFTC Access and Examination Rights addressed in this Rule Change.

[7] 17 CFR 1.20(d)(1).

letter to the clearing member with respect to each segregated futures account and segregated futures professional account containing futures customer funds or by adopting rules that provide for the segregation of futures customer funds in accordance with the Commodity Exchange Act and all relevant CFTC regulations and orders promulgated thereunder.

In Sections 3(f) and 3(j) of Article VI of OCC's By-Laws, OCC already states that it agrees to comply with applicable regulations of the CFTC pertaining to the holding of segregated funds by clearing organizations of contract markets with respect to its segregated futures accounts and segregated futures professional accounts. OCC proposes to amend the language in both provisions to incorporate OCC's agreement to comply with the Commodity Exchange Act itself and all applicable CFTC orders, and to more precisely conform to the exact language requirements of CFTC Regulation § 1.20(d)(1). In order to provide certainty to its clearing members that are FCMs, OCC is proposing to add Interpretation and Policy .10 to Section 3 of Article VI of OCC's By-Laws,[8] so that OCC also explicitly agrees to comply with the CFTC Access and Examination Rights set forth in newly adopted CFTC Regulation § 1.20(d)(5) and (6) with respect to all segregated futures accounts and segregated futures professional accounts.[9] Additionally, Interpretation and Policy .10 will provide that all clearing members that open segregated futures accounts or segregated futures professional accounts have authorized and directed OCC's compliance with the CFTC Access and Examination Rights without further notice or consent. To this same end, OCC also proposes to amend Interpretation and Policy .11 to OCC Rule 604 to clarify that any cash deposited as margin in a segregated futures professional account will be handled in the same manner as OCC currently handles cash deposited as margin in a segregated futures account—*i.e.,* if such funds are invested, they will be invested in accordance with CFTC Regulations §§ 1.25, 1.26 and 1.27 and any other CFTC rules pertaining to a DCO's investment of futures customer funds. Not previously mentioning ''segregated futures professional accounts'' alongside ''segregated futures accounts'' in this Interpretation and Policy was an unintentional oversight, and OCC proposes to make this change in the interest of completeness—it does not reflect a change in policy regarding its handling of futures customer funds deposited in segregated futures professional accounts.

2. Statutory Basis

OCC believes the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act,[10] and the rules and regulations thereunder, including Rule 17Ad–22(d)(3),[11] because it is intended to protect investors and the public interest by ensuring OCC holds futures customer funds in a manner that minimizes the risk of loss and delay in access to such funds. As described above, the proposed rule change is designed to address OCC's handling of futures customer funds related to its performance of clearing services for products that are subject to the jurisdiction of the CFTC. The proposed change will ensure that OCC holds futures customers funds in accordance with new requirements promulgated by the CFTC designed to protect futures customers and provide for safer futures markets. The proposed change will not adversely affect OCC's obligations with respect to the prompt and accurate clearance and settlement of securities transactions. The proposed rule change is not inconsistent with any rules of OCC, including any other rules proposed to be amended.

*(B) Clearing Agency's Statement on Burden on Competition*

OCC does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the Act [12] because it relates solely to OCC's activities relating to the clearing of commodity futures products subject to the exclusive jurisdiction of the CFTC and therefore would not have any impact or impose any burden on competition in securities markets or any other market governed by the Act.

*(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others*

Written comments on the proposed rule change were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Because the proposed rule change primarily affects the clearing operations of OCC with respect to products that are not securities and does not significantly affect any securities clearing operations of OCC or any rights or obligations of OCC with respect to securities clearing or persons using such securities-clearing service, the foregoing rule change has become effective pursuant to Section 19(b)(3)(A) [13] of the Act and Rule 19b–4(f)(4)(ii) thereunder.[14] At any time within 60 days of the filing of such 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.[15]

**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–OCC–2014–03 on the subject line.

*Paper Comments*

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–OCC–2014–03. 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 of submission. 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

[8] OCC intends to publish an Information Memo to inform its clearing members of the filing of this rule change.

[9] 17 CFR 1.20(d)(5)–(6).

[10] 15 U.S.C. 78q–1(b)(3)(F).

[11] 17 CFR 240.17Ad–22(d)(3).

[12] 15 U.S.C. 78q–1(b)(3)(I).

[13] 15 U.S.C. 78s(b)(3)(A).

[14] 17 CFR 240.19b–4(f)(4)(ii). OCC has indicated that it will delay the implementation of the rule change until it is deemed certified under CFTC Regulation § 40.6.

[15] 15 U.S.C. 78s(b)(3)(C).

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 Section, 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 OCC and on OCC's Web site at *http://www.theocc.com/components/docs/legal/rules_and_bylaws/sr_occ_14_03.pdf.* 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–OCC–2014–03 and should be submitted on or before March 31, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[16]

**Kevin M. O'Neill,**

*Deputy Secretary.*

[FR Doc. 2014–05055 Filed 3–7–14; 8:45 am]

**BILLING CODE 8011–01–P**

## SOCIAL SECURITY ADMINISTRATION

### 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 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.*

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 May 9, 2014. Individuals can obtain copies of the collection instruments by writing to the above email address.

1. Statement Regarding Marriage—20 CFR 404.726—0960–0017. According to section 216(h)(1)(A) of the Social Security Act (Act), SSA must apply state law when determining an individual's marital status. Some state laws recognize marriages without a ceremony (i.e., common-law marriages). In such cases, SSA provides the same spouse or widow(er) benefits to common-law spouses as it does to ceremonially married spouses. To determine if someone is a common-law spouse, SSA must elicit information from blood relatives or other persons who are knowledgeable about the alleged common-law relationship. SSA uses Form SSA–753, Statement Regarding Marriage, to collect information from third parties to verify the applicant's statements about intent, cohabitation, and holding out to the public as married, which are the basic tenets of a common-law marriage. SSA uses the information to determine if a valid marital relationship exists, and if the common-law spouse is entitled to Social Security spouse or widow(er) benefits. The respondents are third parties who can confirm or deny an alleged common-law marriage.

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–753 | 40,000 | 1 | 9 | 6,000 |

2. Request for Review of Hearing Decision/Order—20 CFR 404.967—404.981, 416.1467–416.1481—0960–0277. Claimants have a statutory right under the Act and current regulations to request review of an administrative law judge's (ALJ) hearing decision or dismissal of a hearing request on Title II and Title XVI claims. Claimants may request Appeals Council review by filing a written request using Form HA–520. SSA uses the information to establish the claimant filed the request for review within the prescribed time and to ensure the claimant completed the requisite steps permitting the Appeals Council review. The Appeals Council uses the information to: (1) Document the claimant's reason(s) for disagreeing with the ALJ's decision or dismissal; (2) determine whether the claimant has additional evidence to submit; and (3) determine whether the claimant has a representative or wants to appoint one. The respondents are claimants requesting review of an ALJ's decision or dismissal of hearing.

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) |
|---|---|---|---|---|
| HA–520 | 171,000 | 1 | 10 | 28,500 |

[16] 17 CFR 200.30–3(a)(12).

II. SSA submitted the information collections below to OMB for clearance. Your comments regarding the information collections 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 April 9, 2014. Individuals can obtain copies of the OMB clearance packages by writing to *OR.Reports.Clearance@ssa.gov.*

1. State Mental Institution Policy Review Booklet—20 CFR 404.2035, 404.2065, 416.635, & 416.665—0960–0110. SSA uses Form SSA–9584–BK: (1) To determine if the policies and practices of a state mental institution acting as a representative payee for SSA beneficiaries conform to SSA's regulations in the use of benefits; (2) to confirm institutions are performing other duties and responsibilities required of representative payees; and (3) as the basis for conducting onsite reviews of the institutions and preparing subsequent reports of findings. The respondents are state mental institutions serving as representative payees for Social Security beneficiaries and Supplemental Security Income (SSI) recipients.

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–9584–BK | 78 | 1 | 60 | 78 |

2. Modified Benefit Formula Questionnaire-Employer—20 CFR 401 & 402—0960–0477. Sections 215(a)(7) and 215(d)(3) of the Act require SSA to use the Windfall Elimination Provision (WEP), a modified benefit formula, to compute Social Security retirement or disability benefits for persons first eligible (after 1985) for both a Social Security benefit and a pension or annuity, based on employment not covered by Social Security. SSA determines if the WEP is applicable and when to apply it to a person's benefit. SSA uses Form SSA–58 to verify the claimant's allegations on Form SSA–150 (OMB No. 0960–0395, Modified Benefits Formula Questionnaire). SSA sends the SSA–58 to an employer for pension-related information, if the claimant is unable to provide it. The respondents are employers of people who are eligible after 1985 for both Social Security benefits and a pension based on work not covered by SSA.

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–58 | 30,000 | 1 | 20 | 10,000 |

3. Employee Work Activity Questionnaire—20 CFR 404.1574, 404.1592—0960–0483. Social Security disability beneficiaries and SSI recipients qualify for payments when a verified physical or mental impairment prevents them from working. If disability claimants attempt to return to work after receiving payments, but are unable to continue working, they submit the SSA–3033, Employee Work Activity Questionnaire, so SSA can evaluate their work attempt. SSA also uses this form to evaluate unsuccessful subsidy work and determine applicants' continuing eligibility for disability payments. The respondents are employers of Social Security disability beneficiaries and SSI recipients who unsuccessfully attempted to return to work.

This is a correction notice: SSA published the incorrect burden information for this collection at 78 FR 76378, on 12/17/13. We are correcting this error here.

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–3033 | 15,000 | 1 | 15 | 3,750 |

Date: March 5, 2014.

**Faye Lipsky,**

*Reports Clearance Director, Social Security Administration.*

[FR Doc. 2014–05054 Filed 3–7–14; 8:45 am]

**BILLING CODE 4191–02–P**

## DEPARTMENT OF STATE

**[Public Notice 8652]**

### Culturally Significant Objects Imported for Exhibition Determinations: ''Decay and Revolution, Art in Vienna, 1890–1910''

**SUMMARY:** Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.;* 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236–3 of August 28, 2000 (and, as appropriate, Delegation of Authority No. 257 of April 15, 2003), I hereby determine that the objects to be included in the exhibition ''Decay and Revolution, Art in Vienna, 1890–1910,''

imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to a loan agreement with the foreign owner or custodian. I also determine that the exhibition or display of the exhibit objects at the Museo de Arte de Ponce, Ponce, PR, from on or about March 21, 2014, until on or about July 28, 2014, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these Determinations be published in the **Federal Register**.

**FOR FURTHER INFORMATION CONTACT:** For further information, including a list of the exhibit objects, contact Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202–632–6467). The mailing address is U.S. Department of State, SA–5, L/PD, Fifth Floor (Suite 5H03), Washington, DC 20522–0505.

Dated: March 4, 2014.

**Evan M. Ryan,**

*Assistant Secretary, Bureau of Educational and Cultural Affairs, Department of State.*

[FR Doc. 2014–05129 Filed 3–7–14; 8:45 am]

**BILLING CODE 4710–05–P**

## DEPARTMENT OF STATE

**[Public Notice 8651]**

### U.S. Department of State Advisory Committee on Private International Law (ACPIL)—Online Dispute Resolution (ODR) Study Group

The Office of the Assistant Legal Adviser for Private International Law, Department of State, hereby gives notice that the ACPIL ODR Study Group will hold a public meeting. The ACPIL ODR Study Group will meet to discuss the next session of the UNCITRAL ODR Working Group, scheduled for March 24–28, 2014 in New York. This is not a meeting of the full Advisory Committee.

The UNCITRAL ODR Working Group is charged with the development of legal instruments for resolving both business to business and business to consumer cross-border electronic commerce disputes. The Working Group is in the process of developing generic ODR procedural rules for resolution of cross-border electronic commerce disputes, along with separate legal instruments that may take the form of annexes on guidelines and minimum requirements for online dispute resolution providers and arbitrators, substantive legal principles for resolving disputes, and a cross-border enforcement mechanism.

For the reports of the first seven sessions of the UNCITRAL ODR Working Group—December 13–17, 2010, in Vienna (A/CN.9/716); May 23–27, 2011, in New York (A/CN.9/721); Nov. 14–18, 2011, in Vienna (A/CN.9/739); May 21–25, 2012, in New York (A/CN.9/744); November 5–9, 2012, in Vienna (A/CN.9/762): May 20–24, 2013, in New York (A/CN.9/769); and November 18–22, 2014, in Vienna (A/CN.9/795)—please follow the following link: *http://www.uncitral.org/uncitral/commission/working_groups/3Online_Dispute_Resolution.html.* Documents relating to the upcoming session of the Working Group are available on the same link.

*Time and Place:* The meeting of the ACPIL ODR Study Group will take place on Friday March 14 from 12:30 p.m. to 2:00 p.m. EST at 2430 E Street NW., South Building (SA 4) (Navy Hill), Room 240. Participants should arrive at Navy Hill before 12:15 p.m. for visitor screening. Participants will be met at the Navy Hill gate at 23rd and D Streets, NW., and will be escorted to the South Building. Persons arriving later will need to make arrangements for entry using the contact information provided below. If you are unable to attend the public meeting and would like to participate from a remote location, teleconferencing will be available.

*Public Participation:* This meeting is open to the public, subject to the capacity of the meeting room. Access to Navy Hill is strictly controlled. For pre-clearance purposes, those planning to attend in person are requested to email at *PIL@state.gov* providing full name, address, date of birth, citizenship, driver's license or passport number, affiliation, and email address. This will greatly facilitate entry.

A member of the public needing reasonable accommodation should provide an email requesting such accommodation to *pil@state.gov* no later than a week before the meeting. Requests made after that date will be considered, but might not be able to be fulfilled. If you would like to participate by telephone, please email *pil@state.gov* to obtain the call-in number and other information.

Data from the public is requested pursuant to Public Law 99–399 (Omnibus Diplomatic Security and Antiterrorism Act of 1986), as amended; Public Law 107–56 (USA PATRIOT Act); and Executive Order 13356. The purpose of the collection is to validate the identity of individuals who enter Department facilities. The data will be entered into the Visitor Access Control System (VACS–D) database. Please see the Security Records System of Records Notice (State-36) at *http://www.state.gov/documents/organization/103419.pdf* for additional information.

Dated: February 24, 2014.

**Michael Dennis,**

*Attorney-Adviser, Office of Private International Law. Office of the Legal Adviser Department of State*

[FR Doc. 2014–05128 Filed 3–7–14; 8:45 am]

**BILLING CODE 4710–08–P**

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary of Transportation

### Requirements for the DOT Data Innovation Challenge

**AGENCY:** U.S. Department of Transportation, Office of the Secretary of Transportation.

**ACTION:** Notice .

**Authority:** 15 U.S.C. 3719 (America COMPETES Act).

*Award Approving Official:* Anthony Foxx, Secretary of Transportation.

**SUMMARY:** Informed decision making, based on sound data and analysis is a cornerstone of crafting effective transportation policies and guiding efficient investment decisions with scarce public resources. Web-based tools, visualizations, and mobile applications can help uncover actionable information for making better informed decisions—both by the public and policy makers. This challenge will focus on developing tools to address three areas: (1) Safety, (2) Transportation Access, and (3) Traffic Management and Congestion.

Do you have what it takes to create innovative tools to address our Nation's transportation challenges or revolutionize the way Americans see and understand the transportation system they use every day? The United States Department of Transportation (U.S. DOT) wants to see what you can do!

**DATES:** Entries must be submitted by 5:00 p.m. on April 30, 2014

**FOR FURTHER INFORMATION CONTACT:** Stephanie Gidigbi, 202–366–6837, *stephanie.gidigbi@dot.gov.*

**SUPPLEMENTARY INFORMATION:**

*Subject of Challenge Competition:* Your challenge is to create a web-based tool, data visualization, mobile app, or other innovative use of technology to address systemic challenges by accessing publicly-available Federal and/or local DOT datasets. The application/tool will help the public and policy makers understand

transportation challenges in three main areas:

- Safety—develop tools to address and/or identify safety concerns and challenges
- Transportation Access—develop tools to show how transportation connects people to jobs, school, housing, and community resources
- Traffic Management and Congestion—develop tools to understand and reduce traffic and congestion

*Eligibility:* The Challenge is open only to: (1) Persons who are at least eighteen (18) years old at the time of entry who are either citizens or legal residents of the United States; (2) teams of eligible individuals; and (3) corporations or organizations, including nonprofit organizations, that are incorporated in the United States (including the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa). Individuals submitting entries on behalf of corporations, nonprofit or groups of individuals (such as an academic class or other team) must meet the eligibility requirements for individual contestants. An individual may join more than one team, corporation or nonprofit organization. Candidates may not be a Federal entity or Federal employee acting within the scope of employment. Employees of the U.S. Department of Transportation are not eligible. The Challenge is subject to all applicable federal laws and regulations. Participation constitutes Contestant's full and unconditional agreement to these Official Rules and administrative decisions, which are final and binding in all matters related to the Challenge. Eligibility for a prize award is contingent upon fulfilling all requirements set forth herein.

The following additional rules apply:

1. *All decisions by the U.S. DOT are final and binding in all matters related to the challenge.* Potential winners must continue to comply with all terms and conditions of these Official Rules and winning is contingent upon fulfilling all requirements. The potential winners will be notified by email, telephone, or mail after the date of the judging. The potential winner(s) will be required to sign and return to U.S. DOT, within ten (10) days of the date notice is sent, an Affidavit of Eligibility and Liability/Publicity Release (except where prohibited) in order to claim any recognition. In the event that a potential winner of a Challenge recognition is disqualified for any reason, U.S. DOT may award the applicable recognition to an alternate winner. *Submission Rights.* Each Contestant grants to the U.S. DOT and others acting on behalf of the U.S. DOT, a royalty-free non-exclusive worldwide license to use, copy for use, distribute, perform publicly, and display publicly all parts of the Submission for the purposes of the Challenge until one year after the announcement of winners. This license includes posting or linking to the Submission on the official U.S. DOT Web site and making it available for use by the public.

2. *Entry Conditions and Release.* By entering, each Contestant agrees to: (a) Comply with and be bound by these Official Rules and the decisions of the U.S. DOT and/or the Challenge judges which are binding and final in all matters relating to this Challenge; (b) release and hold harmless the U.S. DOT and the Federal Government and its related entities, including any other organizations responsible for sponsoring, fulfilling, administering, advertising or promoting the Challenge, and all of their respective past and present officers, directors, employees, agents and representatives (collectively, the ''Released Parties'') from and against any and all claims, expenses, and liability, whether direct or indirect, including but not limited to negligence and damages of any kind to persons and property, including but not limited to invasion of privacy (under appropriation, intrusion, public disclosure of private facts, false light in the public eye or other legal theory), defamation, slander, libel, violation of right of publicity, infringement of trademark, copyright or other intellectual property rights, property damage, a third party's unauthorized use of the Submission beyond the one-year license granted in the Submission rights, loss of profits, or death or personal injury arising out of or relating to a Contestant's entry, creation of an entry or submission of an entry, participation in the Challenge, acceptance or use or misuse of prize (including any travel or activity related thereto) and/or the broadcast, transmission, performance, exploitation or use of entry; and, (c) indemnify, defend and hold harmless the U.S. DOT against any and all claims, expenses, and liabilities (including reasonable attorney's fees) arising out of or relating to a Contestant's participation in the Challenge and/or Contestant's acceptance, use or misuse of a prize or recognition.

3. *Publicity.* Except where prohibited, participation in the Challenge constitutes Contestant's consent to U.S. DOT's and its agents' use of Contestant's name, likeness, photograph, voice, opinions, and/or hometown and state for promotional purposes in any media, worldwide, without further payment or consideration.

4. *General Conditions.* The U.S. DOT reserves the right to cancel, suspend and/or modify the Challenge, or any part of it for any reason, including if any fraud, technical failures or any other factor beyond the U.S. DOT's reasonable control impairs the integrity or proper functioning of the Challenge, as determined by the U.S. DOT in its sole discretion. The U.S. DOT reserves the right, in its sole discretion, to disqualify any individual or Contestant it finds to be tampering with the entry process or the operation of the Challenge or to be acting in violation of these Official Rules or any other promotion or in a disruptive manner. Any attempt by any person to deliberately undermine the legitimate operation of the Challenge may be in violation of criminal and civil law, and, should such an attempt be made, the U.S. DOT reserves the right to seek damages from any such person to the fullest extent permitted by law. The U.S. DOT's failure to enforce any term of these Official Rules shall not constitute a waiver of that provision. The U.S. DOT is not responsible for, nor are they required to count, incomplete, late, misdirected, damaged, unlawful or illicit votes, including those secured through payment, votes achieved through automated means or by registering more than one email account and name, using another Contestant's email account and name, as well as those lost for technical reasons or otherwise.

5. *Limitations of Liability.* The Released Parties are not responsible for: (1) Any incorrect or inaccurate information, whether caused by Contestants, printing errors or by any of the equipment or programming associated with or utilized in the Challenge; (2) technical failures of any kind, including, but not limited to malfunctions, interruptions, or disconnections in phone lines or network hardware or software; (3) unauthorized human intervention in any part of the entry process or the Challenge; (4) technical or human error which may occur in the administration of the Challenge or the processing of entries; or, (5) any injury or damage to persons or property which may be caused, directly or indirectly, in whole or in part, from Contestant's participation in the Challenge or receipt or use or misuse of any prize. If for any reason a Contestant's entry is confirmed to have been erroneously deleted, lost, or otherwise destroyed or corrupted, Contestant's sole remedy is another entry in the Challenge. No more than

the stated number of prizes will be awarded.

6. *Original Work, Plagiarism, and Copyright.* Contestant(s) warrants that he or she or they is/are the sole author and owner of the Submission, and that the Submission is wholly original with the Contestant, and that it does not infringe any copyright or any other rights of any third party of which Contestant is aware.

7. PRIVACY. Any personal information provided to the U.S. DOT and ChallengePost by registering or submitting through the U.S. DOT electronic mail system is used only to communicate on matters regarding the submission and/or the Challenge. Information is not collected for commercial marketing. Candidates may not be a Federal entity or Federal employee acting within the scope of employment.

At least one individual from each team may travel to Washington, DC, to accept the award. Only the individual who makes the submission on behalf of an organization may receive the award. The submitting individual may designate, within 10 business days following notification of award, another person to whom to re-direct the award.

**Submission Requirements**

Your submission is due by 5:00 p.m. ET, on Wednesday, April 30, 2014. Your submission must use publicly available data. You must not provide any information that is a trade secret or confidential business information. Federal DOT datasets are available at *http://www.dot.gov/data* and other Federal data can be found at *http://catalog.data.gov.* In addition, some state and local data can be found at *http://states.data.gov, http://counties.data.gov,* or *http://cities.data.gov.* You may use any other publically available data sets as well.

A submission package will consist of the following:

A full description of the application, device, product, or visualization tool (the ''Concept'') that addresses at least one of the three challenges outlined above for this specific challenge (Safety, Transportation Access, Traffic Management and Congestion) with elements outlined in the Submission Content Below *(not to exceed 6000 words):*

i. Description of the user or users;

ii. Explanation of the Concept's value to the user and society as a whole;

iii. Description of the conditions under which the Concept is useful;

iv. Description of the ways in which the Concept is innovative: how it differs from past and current practices, technologies, tools and applications;

v. Explanation of the process by which the application or visualization tool would be implemented and widely adopted. Discuss any other risks, costs or challenges in making the utilization and/or adoption of the tools or applications widespread, and how they could be overcome;

vi. Submissions must include a link to a working tool (via the web with a URL or mobile app store) or a video of the tool in action; and should illustrate or otherwise support the Concept described in the Submission Description.

The Submission should also include a summary (not to exceed 650 words, in 12-point Arial normal font, double-spaced, in PDF format) of the solution submitted that discusses:

i. How it meets the judging criteria;

ii. Data sets used to develop the solution; and,

iii. Intended audience/users.

**Note:** Submissions that do not conform to these requirements may be considered ineligible. This eligibility decision is at the sole discretion of the U.S. DOT. Contestants waive the right to protest. The U.S. DOT makes no warranties to protect proprietary information or trade secrets if they are featured in the submission. It is recommended that entrants consider the content of their submissions prior to making their submittal.

Any elements of the Challenge described in the ''details'' section of this Challenge and posted on dot.gov are wholly incorporated as part of the rules of this contest.

The Submission must be written in English, and be no longer than 6000 words. Some or all of the submission must be sent to *datachallenge@dot.gov* with the subject line ''Innovation Challenge.'' The Submission Summary should be included in the body of the email and must not exceed 650 words.

- Must be in PDF or Microsoft Word format
- Use a font size of no less than 12 points
- Have margins no smaller than 1 inch all around

Submissions may be updated by the submitter until the Challenge Submission Period ends.

**Award**

Winners will have their innovation featured on the Secretary's FastLane Blog and will receive a letter of recognition from the Secretary. Following the announcement of the award, awardees will be honored by Transportation Secretary Anthony Foxx in a special session where awardees will present their Concept for senior officials from across the U.S. Department of Transportation, Challenge judges, and other members of DOT staff. Outside guests will also be invited to attend. Furthermore, depending upon the quality of submissions and subject to the Federal Acquisitions Regulations, the Department may negotiate licensing for the use of intellectual property developed by selected submission winner(s) beyond the one year royalty-free nonexclusive worldwide license provided under Submission Rights.

*Basis Upon Which the Winner Will Be Selected:*

*Submission Judging*

Submissions will be scored in each of four criteria, as listed below.

1. Technical and Operational Feasibility

The successful operation of the proposed application or visualization tool will depend both upon the soundness of the application and tool itself and its relationship to the rest of the transportation system, and the data that is used during its development.

How plausible is it that this Concept could be implemented? What risks or challenges exist, and how could they be overcome?

2. Potential for Widespread Adoption

Widespread adoption of the application and/or visualization tool will depend upon a system of interrelated decisions made by various stakeholders in the transportation network. Stakeholders' incentives toward action must be aligned with their capabilities for adoption to occur. How likely is it that this application or visualization tool would be widely adopted or go viral, if it were developed? What are the challenges facing broad adoption, and how could they be overcome?

3. Innovation

To what degree does the tool present a novel idea or approach?

4. Social Benefit

How much would this idea benefit transportation users or society at large? Emphasis is on improvements to transportation safety, mobility, reliability, accessibility and/or environmental impact.

The Submissions will be judged by a qualified panel selected by the U.S. DOT at its sole discretion. The panel will judge the entire Submission on the judging criteria identified above in order to select five winners. Judges reserve the right to withdraw without advance notice.

*Additional Information:*

Federal grantees may not use Federal funds to develop COMPETES Act challenge applications.

Federal contractors may not use Federal funds from a contract to develop COMPETES Act challenge applications or to fund efforts in support of a COMPETES Act challenge submission.

Issued On: February 21, 2014

**Anthony Foxx,**

*Secretary of Transportation.*

[FR Doc. 2014–04399 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–9X–P**

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

**[Docket No. DOT–OST—2014–0011]**

### National Freight Advisory Committee: Notice of Public Meeting

**ACTION:** Notice of Public Meeting.

**SUMMARY:** The U.S. Department of Transportation (DOT) announces a public meeting of its National Freight Advisory Committee (NFAC) to provide recommendations to the Department as it continues to develop the National Freight Strategic Plan (Plan). Meetings are open to the public and there will be a period of time at the end of the second day of the meeting for public comment.

**DATES:** *Dates and Times:* The meeting will be held on Tuesday, March 25, 2014, from 2:00 p.m. to 5:00 p.m., Eastern Standard Time and March 26, 2014 from 10:00 a.m. to 3:15 p.m., Eastern Standard Time.

*Location:* The meeting will be held at the U.S. Department of Transportation, 1200 New Jersey Avenue SE., Washington, DC 20590.

**FOR FURTHER INFORMATION CONTACT:** Tretha Chromey, Designated Federal Officer at (202) 366–1999 or *freight@dot.gov* or visit the NFAC Web site at *www.dot.gov/nfac.*

**SUPPLEMENTARY INFORMATION:**

*Background:* The NFAC was established to provide advice and recommendations to the Secretary on matters related to freight transportation in the United States, including (1) implementation of the freight transportation requirements of the Moving Ahead for Progress in the 21st Century Act (MAP–21; Pub. L. 112–141); (2) establishment of the National Freight Network; (3) development of the Plan; (4) development of strategies to help States implement State Freight Advisory Committees and State Freight Plans; (5) development of measures of conditions and performance in freight transportation; (6) development of freight transportation investment, data, and planning tools; and (7) legislative recommendations. The NFAC operates as a discretionary committee under the authority of the DOT, established in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App. 2. See DOT's NFAC Web site for additional information about the committee's activities at *www.dot.gov/nfac.*

MAP–21 directs the DOT to develop the Plan in consultation with State department of transportations and other appropriate stakeholders. The Plan must include:

(A) An assessment of the condition and performance of the national freight network.

(B) An identification of highway bottlenecks on the national freight network that create significant freight congestion problems, based on a quantitative methodology developed by the Secretary, which shall, at a minimum, include—

(i) information from the Freight Analysis Network of the Federal Highway Administration; and

(ii) to the maximum extent practicable, an estimate of the cost of addressing each bottleneck and any operational improvements that could be implemented.

(C) Forecasts of freight volumes for the 20-year period beginning in the year during which the Plan is issued.

(D) An identification of major trade gateways and national freight corridors that connect major population centers, trade gateways, and other major freight generators for current and forecasted traffic and freight volumes, the identification of which shall be revised, as appropriate, in subsequent plans.

(E) An assessment of statutory, regulatory, technological, institutional, financial, and other barriers to improved freight transportation performance (including opportunities for overcoming the barriers).

(F) An identification of routes providing access to energy exploration, development, installation, or production areas.

(G) Best practices for improving the performance of the national freight network.

(H) Best practices to mitigate the impacts of freight movement on communities.

(I) A process for addressing multistate projects and encouraging jurisdictions to collaborate.

(J) Strategies to improve freight intermodal connectivity.

The Plan serves as a document to outline a long-term strategy to implement the National freight policy. The goals of the National freight policy are related to economic competitiveness and efficiency; congestion; productivity; safety, security, and resilience of freight movement; infrastructure condition; use of advanced technology; performance, innovation, competition, and accountability in the operation and maintenance of the network; and environmental impacts. [23 U.S.C. 167]

*Agenda:* The two day agenda will include:

(1) Welcome, opening remarks, and introductions;

(2) Update of the Department's National Freight Strategic Plan;

(3) Discussion on proposed recommendations to the DOT on the following elements of the Plan:

- An assessment of statutory, regulatory, technological, institutional, financial, and other barriers to improved freight transportation performance (including opportunities for overcoming the barriers);
- Best practices for improving the performance of the national freight network; and
- Best practices to mitigate the impacts of freight movement on communities.

(4) Public comment, which will occur at the end of day 2.

The meeting agenda will be posted on the NFAC Web site at *www.dot.gov/nfac* in advance of the meeting.

*Public Participation:* This meeting will be open to the public. Members of the public who wish to attend in person are asked to RSVP to *freight@dot.gov* with your name and affiliation no later than March 18, 2014, in order to facilitate entry and guarantee seating.

*Services for Individuals with Disabilities:* The public meeting is physically accessible to people with disabilities. Individuals requiring accommodations, such as sign language interpretation or other ancillary aids, are asked to notify Ms. Tretha Chromey, at (202) 366–1999 or *freight@dot.gov* five (5) business days before the meeting.

*Written comments:* Persons who wish to submit written comments for consideration by the Committee must email *freight@dot.gov* or send them to Ms. Tretha Chromey, Designated Federal Officer, National Freight Advisory Committee, 1200 New Jersey Avenue SE., W82–320, Washington, DC 20590 by March 18, 2014 to provide sufficient time for review. All other comments may be received at any time before or after the meeting.

Dated: March 4, 2014.

**Tretha Chromey,**

*Designated Federal Officer.*

[FR Doc. 2014–05138 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–9X–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### Public Notice for Waiver for Aeronautical Land-Use Assurance at Lockhart Municipal Airport, Lockhart, TX

**AGENCY:** Federal Aviation Administration, DOT.

**ACTION:** Notice of intent for waiver of aeronautical land-use.

**SUMMARY:** The Federal Aviation Administration (FAA) is considering a proposal to change a portion of the airport from aeronautical use to nonaeronautical use and to authorize the conversion of the airport property. The proposal consists of one parcel of land containing a total of approximately 5.143 acres located on the east side of the airport, north of Airport Road and west of US Highway 183.

The parcel was originally acquired as part of a grant in 1948. The land comprising this parcel is outside the forecasted need for aviation development and, thus, is no longer needed for indirect or direct aeronautical use. The airport wishes to develop this land for compatible commercial, nonaeronautical use. The income from the conversion of this parcel will benefit the aviation community by reinvestment in the airport.

Approval does not constitute a commitment by the FAA to financially assist in the conversion of the subject airport property nor a determination of eligibility for grant-in-aid funding from the FAA. The disposition of proceeds from the conversion of the airport property will be in accordance with FAA's Policy and Procedures Concerning the Use of Airport Revenue, published in the **Federal Register** on February 16, 1999. In accordance with Section 47107(h) of Title 49, United States Code, this notice is required to be published in the **Federal Register** 30 days before modifying the land-use assurance that requires the property to be used for an aeronautical purpose.

**DATES:** Comments must be received on or before April 9, 2014.

**ADDRESSES:** Send comments on this document to Mr. Edward N. Agnew, Federal Aviation Administration, Manager, Texas Airports Development Office, 2601 Meacham Boulevard, Fort Worth, TX 76137.

**FOR FURTHER INFORMATION CONTACT:** Mr. Vance Rodgers, City Manager, City of Lockhart, P.O. Box 239, Lockhart, TX 78644, telephone (512) 398–5103, or Mr. Anthony Mekhail, Federal Aviation Administration, Texas Airports Development Program Manager, 2601 Meacham Boulevard, Fort Worth, TX 76137, telephone (817) 222–5663, FAX (817) 222–5989. Documents reflecting this FAA action may be reviewed at the above locations.

Issued in Fort Worth, Texas on February 26, 2014.

**Kelvin Solco,**

*Manager, Airports Division, FAA, Southwest Region.*

[FR Doc. 2014–04916 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### Notice of Intent To Rule on Request To Release Airport Property at the Ocean County Airport, Toms River, New Jersey

**AGENCY:** Federal Aviation Administration (FAA) DOT.

**ACTION:** Notice of request to release airport property.

**SUMMARY:** The FAA proposes to rule and invite public comment on the release of land at the Ocean County Airport, Toms River, New Jersey under the provision 49 U.S.C. 47125(a). The request consists of a permanent release of six (6) parcels of land (145.90 acres) that are no longer needed for aeronautical purposes. Parcels 1 & 3 are located within Lacey Township and Parcels 2, 4, 5 & 6 are located within Berkeley Township. The County of Ocean will obtain Fair Market Value (FMV) rate in the form (reimbursement) of financial contribution made directly by County to the airport. The County has demonstrated its financial contribution to the airport of the parcels to be released, which has been expended for on airport operations and development over a six-year period (2006–2011). Therefore, no funds will change hands for the release of these parcels from aeronautical purposes.

**DATES:** Comments must be received on or before April 9, 2014.

**ADDRESSES:** Comments on this application may be mailed or delivered to the following address:

David J McKeon, Planning Director, Ocean County Airport, Ocean County Planning Board,, P. O. Box 2191, Toms, River, New Jersey 08754–2191, 732–929–2054

and at the FAA Harrisburg Airports District Office:

Lori K. Pagnanelli, Manager, Harrisburg Airports District Office, 3905 Hartzdale Dr., Suite 508, Camp Hill, PA 17011, (717) 730–2830.

**FOR FURTHER INFORMATION CONTACT:** Rick Harner, Project Manager, Harrisburg Airports District Office, location listed above.

The request to release property may be reviewed in person at this same location.

**SUPPLEMENTARY INFORMATION:** The FAA invites public comment on the request to release property at the Ocean County Airport under the provisions of Section 47125(a) of Title 49 U.S.C. On March 10, 2014, the FAA determined that the request to release property at the Ocean County Airport (MJX), New Jersey, submitted by the County of Ocean, met the procedural requirements.

The following is a brief overview of the request: The County of Ocean requests the release of real property totaling 145.90 acres to the County of Ocean for use as non-aeronautical land with the exception of granting an easement right of way on Parcels 3 and 4 as defined below. Land release of Parcel 1 (Highway Department vehicle storage and maintenance) consists of 14.22 acres located within the Township of Lacey. The parcel is bounded by Lacey Township line on the east and the existing airport property line on the west and north and extends to the southerly boundary of existing Mule Road on the south. Land release of Parcel 2 (County Fairgrounds) consists of 103.77 acres located within the Township of Berkeley. This parcel extends easterly from Berkeley Township line on the west to the west ROW of Pinewald-Keswick Road. The parcel is bounded by the existing airport property line on the north and extends to the southerly boundary of existing Mule Road on the south. Land release of Parcel 5 (Public Safety Building) consists of 5.38 acres located within the Township of Berkeley. This parcel is bounded on the north by the south boundary of existing Mule Road; on the west at 20 feet east of the centerline of the existing airport access road; and on the south and east sides following between two airport fence lines. Land release of Parcel 6 (Vacant land—south side of Mule Rd/Route 530 intersection) consists of 3.27 acres located within the Township of Berkeley. The perimeter of this parcel follows ten feet inside the existing fence line of the parcel (landside). The parcel is bounded by the southerly boundary of existing Mule Road on the north; and bounded by the westerly boundary of Pinewald-Keswick Road on the east. The south line of the parcel is the westerly extension of the

northerly airport property line located easterly of Pinewald-Keswick Road.

The County of Ocean also requests the release of real property totaling 19.26 acres in addition to the granting of an access easement right of way on same parcels for use as spoil storage area and a dog park. Parcel 3 (Highway Department Spoil Area) consists of 16.52 acres located within the Township of Lacey. The parcel consists of a rectangular parcel 1200 feet long by 600 feet wide adjacent and at right angles to the Lacey Township line. The east corner of the parcel is located 145 feet southeast of the centerline of the existing sand entry road to the spoil area. Parcel 4 (Dog Park) consists of 2.74 acres located within the Township of Berkeley. The perimeter of this parcel is located 10 feet outside of the existing dog park fence line. The south line of the parcel is 20 feet north of the centerline of the existing airport access road pavement. As shown on the Airport Layout Plan (ALP), the above describe properties do not serve an aeronautical purpose and are not needed for airport development.

No AIP funds were used to purchase the parcels to be released. All of the parcels were acquired through either condemnation or fee simple purchase with County funds. The ALP will be updated to show the new airport property boundary. The airport property will be released to the County and will remain County owned.

Any person may inspect the request by appointment at the FAA office address listed above. Interested persons are invited to comment on the proposed lease. All comments will be considered by the FAA to the extent practicable.

Issued in Camp Hill, Pennsylvania, February 28, 2014.

**Lori K. Pagnanelli,**

*Manager, Harrisburg Airports District Office.*

[FR Doc. 2014–05148 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### Waiver of Autonomous Reentry Restriction for a Reentry Vehicle

**AGENCY:** Office of Commercial Space Transportation; Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of waiver.

**SUMMARY:** This notice concerns three petitions for waiver related to the launch and reentry of an Orion Multi-Purpose Crew Vehicle. In the first of these petitions, United Launch Alliance (ULA) requested a waiver of the FAA's requirement that the expected number of casualties for a launch not exceed 0.00003 casualties ($E_c \leq 30 \times 10^{-6}$) from debris. For the second and third petitions, Lockheed Martin (Lockheed) requested waivers of the FAA's regulatory requirements that (1) the expected number of casualties for the entire mission, including launch and reentry, not exceed $30 \times 10^{-6}$ casualties from debris; and (2) an operator only initiate reentry of a reentry vehicle by command. The FAA elects to consider all three petitions together because all three involve the same essential facts and risk analyses. The FAA grants all three petitions.

**FOR FURTHER INFORMATION CONTACT:** For technical questions concerning this waiver, contact Charles P. Brinkman, Aerospace Engineer, AST–200, Office of Commercial Space Transportation (AST), Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267–7715; email: *phil.brinkman@faa.gov.* For legal questions concerning this waiver, contact Laura Montgomery, Manager, Space Law Branch (AGC–250), Regulations Division, Office of the Chief Counsel, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267–3150; email: *laura.montgomery@faa.gov.*

**SUPPLEMENTARY INFORMATION:**

#### Background

Lockheed and ULA are private commercial space flight companies. Lockheed entered into a contract with the National Aeronautics and Space Administration (NASA) to provide the first orbital flight test for NASA's Orion Multi-Purpose Crew Vehicle Program. Lockheed has contracted with ULA to provide launch services for the mission.

The FAA is responsible for licensing, in relevant part, the launch of a launch vehicle and the reentry of a reentry vehicle, under authority granted to the Secretary of Transportation by 51 USC Subtitle V, chapter 509 (Chapter 509), and delegated to the FAA's Administrator and Associate Administrator for Commercial Space Transportation.

The mission at issue in this notice is Orion Exploration Flight Test 1, launching from Cape Canaveral Air Force Station in Florida. The mission tests the Orion Multi-Purpose Crew Vehicle in an un-crewed, limited-capability configuration, and serves as a stepping stone towards a crew-capable vehicle that would enable human exploration missions beyond Earth orbit. The mission is comprised of a launch, which is conducted by ULA, and a reentry, which is conducted by Lockheed. The launch vehicle is ULA's Delta IV Heavy launch vehicle, which consists of a Common Booster Core (CBC) as the first stage with two additional strap-on CBCs and a Delta IV Cryogenic Second Stage (DCSS). The first burn of the DCSS places the Orion and the DCSS in orbit, and a second DCSS burn places the Orion into a highly elliptical, negative-perigee trajectory, to simulate the thermal conditions and high reentry speeds the module would experience returning from missions beyond Earth orbit. After separating from the DCSS, the Orion module reenters over the eastern Pacific Ocean, splashing down 231 nautical miles west of Baja California, Mexico.

Section 417.107(b)(1) of Title 14 of the Code of Federal Regulations (14 CFR) prohibits the launch of a launch vehicle if the expected casualty ($E_c$) for the flight exceeds $30 \times 10^{-6}$ for, in relevant part, impacting inert and explosive debris (debris). On February 27, 2014, ULA petitioned for a waiver because the launch has a debris risk of $163 \times 10^{-6}$.

Section 435.35 establishes acceptable risk for reentry vehicles, and requires operators to comply with §§ 431.35(a) and 431.35(b)(1)(i),[1] which in turn prohibit an $E_c$ for debris in excess of $30 \times 10^{-6}$, for both launch and reentry combined. On February 27, 2014, Lockheed also petitioned for a waiver because the mission has a combined risk of $164 \times 10^{-6}$.

Section 431.43(e) requires any reusable launch vehicle (RLV) that enters Earth orbit to be operated such that the vehicle operator can monitor and verify the status of safety critical systems before enabling reentry. This section also prohibits operators from designing a system to reenter autonomously. On February 27, 2014, Lockheed requested a waiver from this prohibition.

#### Waiver Criteria

Chapter 509 allows the FAA to waive a license requirement if the waiver (1) will not jeopardize public health and safety, and safety of property; (2) is in the public interest; and (3) will not jeopardize national security and foreign policy interests of the United States. 51 U.S.C. 50905(b)(3); 14 CFR 404.5(b).

*A. Sixty Day Requirement*

Section 404.3(b)(5) requires that a petition for waiver be submitted at least

[1] Although the module is a reentry vehicle and not a reusable launch vehicle, 14 CFR 435.33 incorporates and applies § 431.43 to all reentry vehicles.

sixty days before the proposed effective date of the waiver, which in this case would be March 8, 2014, the date by which the FAA must make its licensing determination. This section also provides that a petition may be submitted late for good cause.

Here, ULA and Lockheed submitted their waiver petitions on February 27, 2014, less than sixty days before the statutory deadline for the FAA's license determination. However, both launch operators have shared drafts of their petitions with the FAA, thus providing the FAA with sufficiently early access to the information to review the information in a timely fashion. Accordingly, the FAA is able to find good cause.

*B. Public Health and Safety, and Safety of Property*

For the purposes of clarity, the FAA's analysis of public health and safety, and the safety of property, is broken down into subsections reflecting the various issues raised by the risk waivers and autonomous reentry waivers, respectively.

1. Launch and Mission Risk

Although the FAA's regulations prohibit debris risk in excess of $30 \times 10^{-6}$, a waiver is warranted in this case because the United States Government's experience conducting other space missions with risk in excess of $100 \times 10^{-6}$ demonstrates that the risks of this mission are consistent with the public health and safety, and the safety of property. ULA and Lockheed provided risk analyses for both launch and reentry, respectively, but it was the FAA who calculated the total mission risk for debris as $165 \times 10^{-6}$. That number may be broken down as follows:

—$20 \times 10^{-6}$ from launch, with approximately $10 \times 10^{-6}$ attributable to local area risk and approximately $10 \times 10^{-6}$ attributable to overflight (downrange) risk;
—$143 \times 10^{-6}$ from random and off-target reentry of the DCSS during the second DCSS burn;
—$<1 \times 10^{-6}$ for reentry of the Orion module

The United States Government has repeatedly accepted risk for government launches in excess of the FAA's $30 \times 10^{-6}$ and in excess of $100 \times 10^{-6}$, without negative consequences for safety. For example, the current $E_c$ requirement for government launches from U.S. National Test Ranges is $1 \times 10^{-4}$ (equal to $100 \times 10^{-6}$), encompassing all risk from debris, toxics, and overpressure. *See* Air Force Instruction 91–217, *Space Safety and Mishap Prevention Program* (2010). Moreover, the Space Shuttle used a debris risk criterion of $200 \times 10^{-6}$ for launch risk to the public. *See* NASA's Implementation Plan for Space Shuttle Return to Flight and Beyond, Vol. 1 Final Edition, at 2–39 (May 15, 2007). And, in 2005, the U.S. Air Force approved a government launch of a Titan where the risk ranged from 145 to $317 \times 10^{-6}$. Dept. of the Air Force Memorandum, Overflight Risk Exceedance Waiver for Titan IV B–30 Mission (Apr. 4, 2005).

Additionally, in 2012, the FAA granted a waiver to SpaceX under similar circumstances. *Waiver of Acceptable Risk Restriction for Launch and Reentry,* Notice of Waiver, 77 FR 24556 (Apr. 24, 2012). SpaceX's 2012 mission was also NASA-sponsored; involved a test of the company's reentry vehicle, the Dragon module; and posed an estimated total mission risk from debris of between 98 and $121 \times 10^{-6}$. *Id.*

ULA's launch risk of $163 \times 10^{-6}$ is less than the risk approved for these government systems. Accordingly, granting a waiver of §§ 417.107(b)(1) and 431.35(b)(1)(i) in this case does not jeopardize the public health and safety, or the safety of property.

2. Safety of Autonomous Reentry Waiver

Because Orion's reentry system allows Lockheed to identify anomalies or other non-compliant conditions, a waiver allowing autonomous reentry in this instance would not jeopardize the public health and safety, or the safety of property. In 1999, in the preamble to the reentry-rule NPRM, the FAA expressed concern that autonomous reentry was not adequately safe. *Commercial Space Transportation Reusable Launch Vehicle and Reentry Licensing Regulations,* Notice of Proposed Rulemaking, 64 FR 19626, 19645 (Apr. 21, 1999). The FAA was specifically concerned about the possibility that anomalies or other non-compliant conditions occurring in then-existing technology would not be identified prior to an autonomous reentry initiation. *Id.* By requiring the capability for human intervention, however, the FAA did not intend to permanently foreclose the use of autonomous systems or autonomous decision-making. In fact, the agency expressly acknowledged that safer autonomous systems were feasible, and that greater levels of confidence in a particular system could cause the agency to change its position. *Commercial Space Transportation Reusable Launch Vehicle and Reentry Licensing Regulations,* Final Rule, 65 FR 56618, 56641 (Sept. 19, 2000). Despite its concerns, the FAA retained the authority to waive the autonomous reentry restriction. *Id.* Lockheed's proposed approach to reentry addresses the concerns underlying the FAA's regulatory requirements. Under Lockheed's proposed plan, Lockheed would use two means of detecting anomalies and non-compliant conditions. Lockheed's Flight Control Team can monitor and control the module, and the Orion module monitors itself real-time.

ULA's proven DCSS system propels the module to a targeted reentry location over 200 miles into the Pacific Ocean. In a nominal reentry, the Orion module waits for the DCSS to signal that the module is at its pre-determined time for separation, the DCSS thrusters are inhibited, and the vehicle is operating within pre-determined state vector rate requirements. The Orion then autonomously commands its separation from the DCSS and activates the module's propulsion system. Each string of Orion thrusters is capable of providing closed-loop attitude control in the pitch, yaw, and roll axes, as well as translational delta-velocity. Given the trajectory and landing location chosen for the mission, however, combined with the limited thrust performance capability of the module's individual thrusters and limited total onboard propellant, the module does not have the propulsive capability to move its impact point over land following DCSS separation.

While the module is in flight, Lockheed's Flight Control Team is capable of receiving and monitoring real-time vehicle telemetry transmissions. By doing so, the team will be able to detect anomalies and non-compliant conditions. In the event the Flight Control Team detects an off-nominal condition, the team can send several pre-approved contingency commands to the module to mitigate loss of vehicle and protect public safety. In the event a communications failure causes the Flight Control Team to lose direct insight into the raw health-and-status telemetry data, the module has the ability to autonomously guide itself to its pre-determined landing site. This autonomous capability allows the module to safely reenter, descend, land, and safe itself post-splashdown—even after a communications failure with the ground.

In addition to the systems already described, the Orion module itself has the ability to identify anomalies or other non-compliant conditions. Orion has the ability to monitor its safety-critical systems in real-time. It has a space-grade vehicle management computer

with redundant flight control modules. It has the ability to check the validity of its data by reviewing—using built-in channel selection criteria—data received from redundant sensors. The redundant sensors include redundant GPS receiver antennas and redundant, space-grade inertial measurement units.

Also playing an instrumental role in the FAA's ability to grant a waiver is the fact that Orion is equipped with a number of mitigating features. First, Orion has a ''cold-restart'' capability and self-checking pair processors to maintain proper vehicle commanding after any unexpected power cycle, radiation upset, or other off-nominal event that would require an automatic restart of the module's computing system. Also, Orion's computing system has fail-silent functionality to prevent off-nominal corrupted or inadvertent vehicle commanding. Finally, Orion has two independent and redundant propulsion strings, which ensure that even if one fails the propulsion system will still perform the planned reentry.

*C. Public Interest*

The FAA looks to its enabling statute to determine how Congress has defined the public interest. The FAA, through AST, implements the agency's statutory mandate to encourage the development of commercial space capabilities and the continuous improvement of the safety of launch vehicles designed to carry passengers. 51 U.S.C. 50901(b).

ULA and Lockheed's petitions to waive the FAA's risk and reentry restrictions are consistent with the public interest because the test flight is necessary to the development of NASA's human-missions capability beyond Earth orbit.

*D. National Security and Foreign Policy Interests*

The FAA has not identified any national security or foreign policy implications associated with granting this waiver.

**Summary and Conclusion**

The FAA determines that the waivers associated with this mission will not jeopardize public health and safety or safety of property. In addition, the waivers are in the public interest because they accomplish the goals of Chapter 509 and do not unduly increase risk to the public. Finally, they will not jeopardize national security and foreign policy interests of the United States. The FAA therefore waives the requirements of 14 CFR 417.107(b)(1) and 431.35(b)(1)(i) for launch and mission risk, respectively, and of 14 CFR 431.43(e) for a commanded reentry.

Issued in Washington, DC, on February 28, 2014.

**Kenneth Wong,**

*Licensing and Evaluation Division Manager.*

[FR Doc. 2014–05136 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–13–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

**[Docket No. FMCSA–2013–0312]**

### Agency Information Collection Activities; Revision of a Currently-Approved Information Collection Request: Training Certification for Drivers of Longer Combination Vehicles

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), DOT.

**ACTION:** Notice and request for comments.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, FMCSA announces its plan to submit the Information Collection Request (ICR) described below to the Office of Management and Budget (OMB) for approval and invites public comment. FMCSA requests approval to revise the ICR entitled ''*Training Certification for Drivers of Longer Combination Vehicles (LCVs),''* due to a change in the estimated number of annual responses. This ICR relates to Agency requirements for driver certification to operate LCVs that motor carriers must satisfy before permitting their drivers to operate LCVs. Motor carriers, upon inquiry by authorized Federal, State or local officials, must produce an LCV driver-training certificate for each of their LCV drivers.

**DATES:** Please send your comments by April 9, 2014. OMB must receive your comments by this date in order to act on the ICR.

**ADDRESSES:** All comments should reference Federal Docket Management System (FDMS) Docket Number FMCSA–2013–0312. Interested persons are invited to 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 attention of the Desk Officer, Department of Transportation/Federal Motor Carrier Safety Administration, and sent via electronic mail to *oira_submission@omb.eop.gov,* or faxed to (202) 395–6974, or mailed to the Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 17th Street NW., ., Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Mr. Thomas Yager, Chief, Driver and Carrier Operations Division, Department of Transportation, Federal Motor Carrier Safety Administration, West Building 6th Floor, 1200 New Jersey Avenue SE., Washington, DC 20590. Telephone: 202–366–4325; email *tom.yager@dot.gov*. Office hours are from 9 a.m. to 5 p.m., Monday through Friday, except Federal Holidays.

**SUPPLEMENTARY INFORMATION:**

*Title:* Training Certification for Drivers of LCVs.

*OMB Control Number:* 2126–0026.

*Type of Request:* Revision of a currently-approved information collection.

*Respondents:* Drivers who complete LCV training each year, current LCV drivers who submit their LCV Driver-Training Certificate to prospective employers, and employers (motor carriers) that receive and maintain copies of their drivers' LCV Driver-Training Certificates.

*Estimated Number of Respondents:* 50,880, consisting of 940 newly certified LCV drivers plus 24,500 currently certified LCV drivers plus 25,440 motor carriers employing LCV drivers.

*Estimated Time per Response:* 10 minutes for preparation of LCV Driver-Training Certificates for drivers who successfully complete the LCV training, and 10 minutes for activities associated with the LCV Driver-Training Certificate during the hiring process.

*Expiration Date:* March 31, 2014.

*Frequency of Response:* On occasion.

*Estimated Total Annual Burden:* 4,240 hours. The total number of drivers who will be subjected to these requirements each year is 25,440, consisting of 940 newly certified LCV drivers, and 24,500 currently certified LCV drivers obtaining new employment. The total annual information collection burden is approximately 4,240 hours, consisting of 157 hours for preparation of LCV Driver-Training Certificates [940 drivers successfully completing LCV driver training × 10 minutes ÷ 60 minutes/hour] and 4,083 hours for requirements related to the hiring of LCV drivers [24,500 LCV drivers obtaining new employment × 10 minutes ÷ 60 minutes/hour].

*Background:* An LCV is any combination of a truck-tractor and two or more semi-trailers or trailers that operates on the National System of Interstate and Defense Highways (according to 23 CFR 658.5) and has a gross vehicle weight greater than 80,000 pounds. To enhance the safety of LCV

operations on our nation's highways, Section 4007(b) of the Motor Carrier Act of 1991 directed the Secretary of Transportation to establish Federal minimum training requirements for drivers of LCVs [Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), Pub. L. 102–240, 105 Stat. 1914, 2152]. On March 30, 2004, after appropriate notice and solicitation of public comment, FMCSA established the current training requirements for operators of LCVs (69 FR 16722). The regulations bar motor carriers from permitting their drivers to operate an LCV if they have not been properly trained in accordance with the requirements of 49 CFR 380.113. Drivers receive an LCV Driver-Training Certificate upon successful completion of these training requirements. Motor carriers employing an LCV driver must verify the driver's qualifications to operate an LCV, and must maintain a copy of the LCV Driver-Training Certificate to present to authorized Federal, State or local officials upon request.

*Comments from the Public:* In response to the 60-day **Federal Register** notice published December 2, 2013, the FMCSA received one comment without a return address. The commenter was concerned that the LCV regulations (49 CFR 380.*101et seq.*) require drivers to submit their LCV Certificate directly to the Agency. There is no such requirement; drivers are only required to provide a copy of their LCV Certificate to their employer.

*Public Comments Invited:* You are asked to comment on any aspect of this information collection, including: (1) Whether the proposed collection is necessary for the FMCSA to perform its functions; (2) the accuracy of the estimated burden; (3) ways for the FMCSA to enhance the quality, usefulness, and clarity of the collected information; and (4) ways that the burden could be minimized without reducing the quality of the collected information.

Issued under the authority delegated in 49 CFR 1.87 on: February 24, 2014.

**G. Kelly Leone,**

*Associate Administrator, Office of Research and Information Technology and Chief Information Officer.*

[FR Doc. 2014–05026 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–EX–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Motor Carrier Safety Administration

**[Docket No. FMCSA–2013–0518]**

### Knowledge Testing of New Entrant Motor Carriers, Freight Forwarders and Brokers

**AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), DOT.

**ACTION:** Notice of public listening sessions.

**SUMMARY:** FMCSA announces that it will hold two public listening sessions on March 28 and April 7, 2014, to solicit ideas and information concerning sections 32101 and 32916 of the Moving Ahead for Progress in the 21st Century Act. These provisions require the assessment of applicants' knowledge of regulations and industry practices for persons seeking registration authority as motor carriers [property, passenger, and household goods (HHG)], freight forwarders, and brokers. These listening sessions are the second and third in a series through which the Agency requests information from interested parties concerning potential test topics, the relationship between the knowledge testing requirement and the Agency's Unified Registration System (URS) program, and test development and delivery. The sessions will be held at the Mid America Trucking Show (MATS) in Louisville, KY, and the Commercial Vehicle Safety Alliance (CVSA) Workshop in Los Angeles, CA. The previous session was held on January 13, 2014, at the American Bus Association's (ABA) Marketplace conference in Nashville, TN. All comments will be transcribed and placed in the docket referenced above for FMCSA's consideration. The entire days' proceedings are open to the public and will be Webcast with an opportunity provided for on-line comments.

**DATES:** The listening sessions will be held on Friday, March 28 and Monday, April 7, 2014, from 10:00 to 11:30 a.m. and 1:00 to 3:30 p.m., local time. If all interested participants have had an opportunity to comment, the session may conclude early.

**ADDRESSES:** The listening sessions will be held at the following locations: Friday, March 28, Kentucky Exposition Center, Louisville, KY, Kentucky Exposition Center, 937 Phillips Lane, Louisville, KY 40209, 502–367–5000, in Room C103; and Monday, April 7, The Westin Bonaventure Hotel & Suites, 404 South Figueroa Street, Los Angeles, CA 90071, (213) 624–1000, in the Beaudry Room on the Lobby Level. In addition to attending the session in person, the Agency offers several ways to provide comments, as enumerated below.

*Internet Address for Live Webcast*

FMCSA will post specific information on how to participate via the Internet on the FMCSA Web site at *www.fmcsa.dot.gov* in advance of the listening session. You may submit comments bearing the Federal Docket Management System (FDMS) Docket ID FMCSA–2001–11061 using any of the following methods:

- *Federal eRulemaking Portal:* Go to *www.regulations.gov.* Follow the on-line instructions for submitting comments.
- *Mail:* Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building, Ground Floor, Room W12–140, Washington, DC 20590–0001.
- *Hand Delivery or Courier:* West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal Holidays.
- *Fax:* 1–202–493–2251.

Each submission must include the Agency name and the docket number for this notice. Note that DOT posts all comments received, without change, to *www.regulations.gov,* including any personal information included in a comment. Please see the *Privacy Act* heading below.

*Docket:* For access to the docket to read background documents or comments, go to *www.regulations.gov* at any time or visit Room W12–140 on the ground level of the West Building, 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., ET, Monday through Friday, except Federal holidays. The online Federal document management system is available 24 hours each day, 365 days each year. If you would like acknowledgment that the Agency received your comments, please include a self-addressed, stamped envelope or postcard or print the acknowledgement page that appears after submitting comments on-line.

*Privacy Act:* Anyone may search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or of the person signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's Privacy Act Statement for the Federal Docket Management System published in the **Federal Register** on December 29, 2010 (75 FR 82132).

**FOR FURTHER INFORMATION CONTACT:** For information concerning the listening sessions or the live webcasts, please contact Ms. Shannon L. Watson, Senior Policy Advisor, FMCSA, at *Shannon.Watson@dot.gov* or (202) 385–2395. If you need sign language assistance to participate, contact Ms. Watson by Wednesday, March 19, and Tuesday, April 1, 2014, respectively, to allow us to arrange for such services. FMCSA cannot guarantee that interpreter services requested on short notice will be provided.

**SUPPLEMENTARY INFORMATION:**

## I. Background

On July 6, 2012, the President signed MAP–21 into law. The new law included certain requirements concerning the registration of motor carriers [property, passenger, and household goods (HHG)], freight forwarders, and brokers. Section 32101 of MAP–21 includes requirements for a written proficiency examination to assess motor carrier registration applicants' knowledge of applicable safety regulations, standards, and orders of the Federal government. Section 32916 includes requirements that applicants for freight forwarder and broker registration authority employ, as an officer, an individual with 3 years of relevant experience who ''provides the Secretary with satisfactory evidence of the individuals' knowledge of related rules, regulations, and industry practices.''

In consideration of the MAP–21 requirements, the Agency believes that conducting this series of public listening sessions will provide all interested parties the opportunity to share their views on the subject prior to the initiation of a rulemaking. The Agency requests information concerning: Potential test topics (e.g., regulations and industry best practices); the relationship between the knowledge testing requirement and the Agency's August 23, 2013, Unified Registration System (URS) final rule (78 FR 52608);[1] and test development and delivery.

FMCSA asks listening session participants to consider the following questions in preparing to make comments at the listening session:

- Should the exam be limited to the applicable FMCSA regulations or include both the regulations and industry best practices?
- If the exam covers industry best practices, what specific best practices should be included on the exam?
- What industry best practices manuals/publications are available for new entrants to study prior to taking a proficiency exam?
- Are private-sector training courses available to teach new entrants industry best practices?
- Should FMCSA limit the exam to company officers or employees responsible for safety and compliance, or should the Agency allow safety consultants to complete the exam on behalf of the new entrant?
- Should the test results be linked to specific individuals identified on the registration application with a requirement that the new entrant entity have a ''certified'' individual who passed the exam in a position responsible for safety and compliance? And should the new entrant be required to update their registration information whenever these individuals are replaced or reassigned during the new entrant monitoring/oversight period?
- MAP–21 requires freight forwarders and brokers to renew their registration authority every 5 years. Should the new entrant testing rule require a new test (i.e., recertification test) to accompany the freight forwarder or broker renewal application?
- Should the FMCSA develop and deliver the test directly to the new entrant applicants, or should the Agency rely on a private sector entity to handle the testing, with the results being transmitted directly to FMCSA?
- Do private sector companies or organizations currently conduct testing concerning industry best practices?
- Should the testing be conducted at testing centers, or should FMCSA allow on-line testing?

## II. Meeting Participation and Information FMCSA Seeks From the Public

The listening session is open to the public. Speakers should try to limit their remarks to 5 minutes. No preregistration is required. Attendees may submit material to the FMCSA staff at the session for inclusion in the public docket referenced at the beginning of this notice.

## III. Webcasting of the Listening Session

FMCSA will webcast the listening session on the Internet. Information on how to participate via the Internet will be posted on the FMCSA Web site at *www.fmcsa.dot.gov* in advance of the listening session. FMCSA will docket the transcripts of the webcast, and a separate transcription of the listening session will be prepared by an official court reporter.

Dated: February 27, 2014.

**Larry W. Minor,**

*Associate Administrator for Policy.*

[FR Doc. 2014–05027 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–EX–P**

[1] The final rule amends FMCSA's regulations to require interstate motor carriers, freight forwarders, brokers, intermodal equipment providers, hazardous materials safety permit applicants, and cargo tank facilities under the Agency's jurisdiction to submit required registration and biennial update information to the Agency via a new electronic online URS. The final rule also establishes fees for the registration system, discloses the cumulative information to be collected in the URS, and provides a centralized cross-reference to existing safety and commercial regulations necessary for compliance with the registration requirements.

---

## DEPARTMENT OF TRANSPORTATION

### Federal Transit Administration

### Low or No Emission Vehicle Deployment Program

**AGENCY:** Federal Transit Administration (FTA), Department of Transportation (DOT).

**ACTION:** Notice: Extension of application deadline and webinar.

**SUMMARY:** Pursuant to the Moving Ahead for Progress in the 21st Century Act (MAP–21), the Federal Transit Administration (FTA) published a Notice for Request for Proposals (RFP) for the deployment of low or no emission transit buses on January 9, 2014. Due to heightened public interest in the RFP and the volume of technical questions received, FTA is extending the application submission deadline announced in the RFP to April 10, 2014, and will be conducting an online webinar in which questions and answers can be shared among interested parties.

**DATES:** This Notice extends the submittal date for proposals to April 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Sean Ricketson, FTA Office of Research, Demonstration, and Innovation, 202–366–6678 or *sean.ricketson@dot.gov.*

**SUPPLEMENTARY INFORMATION:** On July 6, 2012, President Obama signed into law the ''Moving Ahead for Progress in the 21st Century Act'' (MAP–21) (Pub. L. 112–141), of which section 20011 amended 49 U.S.C. 5312 by adding paragraph (d)(5), which authorized FTA to make grants to finance eligible projects under the ''Low or No Emission Vehicle Deployment Program'' (LoNo Program).

FTA published a Notice for Requests for Proposals (RFP) on January 9, 2014 (79 FR 1668), establishing an application deadline of March 10, 2014. Due to heightened public interest in the RFP and the volume of technical

questions received, FTA will be conducting an online webinar in which questions and answers can be shared among interested parties and is extending the application submission deadline announced in the initial RFP to April 10, 2014. The date and time of the webinar will be posted in FTA's Calendar of Events (*http://www.fta.dot.gov/newsroom/calendar.html*). Technical instructions on submitting an application were published in the January RFP and remain the same.

As stated in the RFP, the Consolidated and Further Continuing Appropriations Act, 2013 (Pub. L. 113–6) made available $24.9 million in FY 2013 (after sequestration) to carry out the LoNo Program, of which $21.6 million is available for buses and $3.3 million is available for supporting facilities and related equipment. If additional funding is appropriated for this program in FY 2014, FTA may, at its discretion, apply those funds to scale up selected projects that could not be fully funded with available FY2013 funds, or to fund additional meritorious proposals that could not be selected due to a lack of available FY 2013 funds.

**Authority:** Pub. L. 112–141, Section 20011; 49 U.S.C. 5312(d)(5) (as amended); 49 CFR 1.91.

Issued in Washington, DC, this 5th day of March 2014.

**Therese McMillan,**

*Deputy Administrator.*

[FR Doc. 2014–05196 Filed 3–6–14; 4:15 pm]

**BILLING CODE 4910–57–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Transit Administration

**[Docket No. FTA–2013–0022]**

### State Safety Oversight Formula Grant Program

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Establishment of the State Safety Oversight (SSO) Formula Grant Program Formula; Apportionment of Fiscal Years 2013 and 2014 SSO Formula Grant Program Funding.

**SUMMARY:** The Federal Transit Administration (FTA) is apportioning fiscal years (FY) 2013 and 2014 funds for the new State Safety Oversight (SSO) Formula Grant Program in accordance with the Moving Ahead for Progress in the 21st Century Act (MAP–21). This notice apportions the available funding for FYs 2013 and 2014 and provides instructions and guidance for this new formula grant program, for which funding is available to eligible States to develop or carry out SSO Programs (SSOPs) that monitor and improve the safety of rail fixed guideway public transportation systems (RFGPTS or rail transit systems) in their jurisdictions that are not regulated by the Federal Railroad Administration (FRA). This notice also establishes the formula for this new grant program and responds to the comments received pursuant to the May 13, 2013 **Federal Register** notice (78 FR 28014) on the illustrative apportionment for SSO grant funding.

**FOR FURTHER INFORMATION CONTACT:** For application-specific information and other assistance in preparing a grant application, please contact the appropriate FTA Regional Office found at *http://www.fta.dot.gov.* For program-specific questions about certification or eligible grant activities as outlined in this notice, please contact Maria Wright, Office of Safety and Oversight, 1200 New Jersey Ave. SE., Washington, DC 20590, (202) 366–5922, or *Maria1.Wright@dot.gov.* For legal questions, please contact Mary J. Lee, Office of Chief Counsel, 1200 New Jersey Ave. SE., Washington, DC 20590, (202) 366–9085, or *Mary.J.Lee@dot.gov.*

**SUPPLEMENTARY INFORMATION:**

**Table of Contents**

A. Overview
B. Definitions For Use In This Notice
C. Background
D. SSO Formula Grant Program
1. Funding Formula
2. Comments and Responses
E. SSO Formula Grant Program Requirements
1. Eligible Recipients
2. Eligible Activities
3. Ineligible Activities
4. Grant Application Procedures
5. Grant Requirements
6. Award Administration

## A. Overview

Section 5336(h)(4) of 49 U.S.C. stipulates that FTA must apportion 0.5 percent of amounts made available to provide financial assistance for urbanized areas under 49 U.S.C. 5307 to eligible States for the SSO Formula Grant Program. For FY 2013, $21,945,771 is available for eligible States to develop or carry out SSOP activities described in 49 U.S.C. 5329(e). For FY 2014, $22,293,250 is available under the SSO Formula Grant Program. These amounts are being apportioned according to the established formula in this notice. The final apportionment amounts are set forth in Table 13 on FTA's Web site: *http://www.fta.dot.gov/grants/15105.html.*

## B. Definitions for Use In This Notice

*Applicant:* The Governor-designated State entity that applies for the SSO Formula Grant Program funds and later becomes the grant recipient that carries out the grant funding responsibilities on behalf of the State.

*Eligible State:* A State that has: (1) A rail transit system, as defined below, within the jurisdiction of the State, that is not subject to regulation by the FRA, or (2) a rail transit system in the engineering or construction phase of development that will not be subject to regulation by the FRA.

*Engineering or Construction phase of development:* a project phase that involves completing significant design work, refining project scope and cost estimates, preparing construction documents, and securing local funding commitments.

At a minimum, for a project in engineering or construction to be included in the SSO Formula Grant Program, the project must: (1) Have completed the National Environmental Policy Act (NEPA) of 1969 if it will be a federally funded project as demonstrated by a determination that the project is categorically excluded from review under NEPA, issuance of a Finding of No Significant Impact, or issuance of a Record of Decision; and (2) have demonstrated local financial commitment. FTA will monitor projects used in the SSO Formula Grant Program and reserves the right to change its initial eligibility determination if there are significant changes to the level of financial commitment to a project or the project is not making adequate progress.

*National Transit Database (NTD) Reporter:* a rail transit system that reported service data or capital expenditure data to the NTD in the most recent Reporting Year.

*Out-of-Service rail transit system:* A previously-operational system that has discontinued rail transit operations for more than one year, as indicated by having reported zero service data in the NTD for the most recent Report Year.

*Public Transportation:* Section 5302(14)(A) of the U.S.C. provides that public transportation means ''regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income. . . .'' Section 5302(14)(B) of 49 U.S.C. establishes seven types of service that are excluded from the definition of Public Transportation. Accordingly, FTA will exclude any non-public transportation systems listed in 49 U.S.C. 5302(14)(B) that a State may have reported in its

annual report. Applicable exclusions include, among others, sightseeing service and intra-terminal or intra-facility shuttle services.

*Rail fixed guideway public transportation system (RFGPTS or rail transit system):* For purposes of this notice, a RFGPTS is a fixed guideway system, including, but not limited to, light, heavy, hybrid, or rapid rail system, monorail, inclined plane, funicular, trolley, cable car, streetcar, or automated guideway, that is not regulated by the FRA, or any such system in the engineering or construction phase of development. This definition excludes systems such as aerial tramways, ferry boats, trackless trolleys, trolleybuses, and bus rapid transit.

*Recipient or grantee:* A State entity that receives Federal transit funds directly from FTA to support its SSOP.

*State:* Includes all of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the Virgin Islands. A State is eligible for SSO Formula Grant Program funds only if it meets the definition of an eligible State as defined in this notice.

*State Safety Oversight Agency (SSOA):* A public entity in compliance with 49 U.S.C. 5329(e)(4) that implements the SSOP requirements for the State.

*State Safety Oversight Program (SSOP):* The program implemented by the eligible State and its designated SSOA to address 49 U.S.C. 5329(e) requirements and objectives.

**C. Background**

Prior to MAP–21, Public Law 112–141, except under limited circumstances, FTA was prohibited from regulating the operation, routes, or schedules of a public transportation system, which included much of rail transit safety. *See* 49 U.S.C. 5334(b)(1), as amended by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU), Public Law 109–59. What safety authority FTA had over rail transit safety was limited to the authority delineated under 49 U.S.C. 5330 (Section 5330). Section 5330 provides limited authority for States to oversee the safety of rail transit systems in their jurisdictions with no Federal funding to support such oversight activities.

MAP–21 provides funding for States to develop or carry out their SSOPs that meet the requirements under 49 U.S.C. 5329(e)(3), as amended by MAP–21, which include, among other things:

- Overseeing rail transit safety;
- Adopting and enforcing Federal and relevant State laws on rail transit safety;
- Establishing an SSOA;
- Determining, in consultation with FTA, an appropriate staffing level for the SSOA that is commensurate with the number, size, and complexity of the rail transit system(s) in the State;
- Requiring that employees and other designated personnel of the eligible SSOA who are responsible for rail transit oversight are qualified to perform such functions through appropriate training, including successful completion of the public transportation safety certification training program, which is being established under 49 U.S.C. 5329(c); and
- Prohibiting any public transportation agency from providing funds to the SSOA.

Per 49 U.S.C. 5329(e)(4), the SSOA must meet the following requirements:

- Has financial and legal independence from any public transportation entity the SSOA oversees;
- Does not directly provide public transportation services in an area with a rail transit system subject to the requirements of 49 U.S.C. 5329;
- Does not employ any individual who is also responsible for the administration of rail transit programs subject to the requirements of 49 U.S.C. 5329;
- Has the authority to review, approve, oversee, investigate, and enforce the implementation by the rail transit agency of the public transportation agency safety plan required under 49 U.S.C. 5329(d);
- Has investigative and enforcement authority with respect to the safety of rail transit systems in its State;
- Audits, at least once triennially, the compliance of the rail transit systems in the State subject to 49 U.S.C. 5329(d); and
- Provides, at least once annually, a status report on the safety of the rail transit systems the SSOA oversees to the FTA, the Governor of its State, and the Board of Directors (or equivalent) of any rail transit system the SSOA oversees.

Under MAP–21, FY 2013 funds in the amount of $21,945,771 are available for eligible States to develop or carry out SSOP activities described above. For FY 2014, funds in the amount of $22,293,250 are available. On May 13, 2013, FTA published a **Federal Register** notice (78 FR 28014) that set forth an illustrative formula apportionment and requested public comments. The comment period ended on June 12, 2013. FTA considered all comments received when developing the final apportionment formula and grant guidelines discussed below in this notice.

**D. SSO Formula Grant Program**

In this section, FTA provides the final formula for the SSO Formula Grant Program as well as responses to comments received for the proposed formula.

FTA publishes an annual apportionment notice that includes program and funding information on FTA's formula and discretionary programs. Formula apportionments are based on congressional appropriations. The **Federal Register** notice published on May 13, 2013, among other things, included the then-illustrative apportionment for the SSO Formula Grant Program. The funds shown in Table 13 on FTA's Web site (*http://www.fta.dot.gov/grants/15105.html*) now represent the final FYs 2013 and 2014 apportionments and are available for obligation by eligible States consistent with FTA's SSO Formula Grant Program Requirements (see Section E.5). FTA is providing additional guidance in the form of Frequently Asked Questions (FAQs) that are posted on FTA's Web site concurrently with this notice (*http://www.fta.dot.gov/tso.html*), and during upcoming webinars. Interested parties should monitor the FTA event calendar (*http://www.fta.dot.gov/newsroom/calendar.html*) for instructions to join the upcoming webinars.

*1. Funding Formula*

MAP–21 requires FTA to develop a formula that takes into account fixed guideway vehicle revenue miles, fixed guideway route miles, and fixed guideway vehicle passenger miles attributable to all rail transit systems not subject to regulation by the FRA within each eligible State. In developing this formula, FTA intended to provide funding in proportion to the level of effort necessary for required oversight duties, while still ensuring that each State receives adequate funding to carry out a minimum level of oversight duties. Therefore, FTA is apportioning funds using a three-tier formula.

FTA is apportioning the majority of funds, sixty percent (60%), through the factors required by MAP–21, called the Service Tier, as follows:

a. Fifteen percent (15%) based on vehicle passenger miles (PMT),

b. Fifteen percent (15%) based on vehicle revenue miles (VRM), and

c. Thirty percent (30%) based on directional route miles (DRM).

The Service Tier includes a cap so that no State can receive more than 15% of the funding available for each of the

above NTD data measures (i.e. PMT, VRM, DRM). The Service Tier is intended to reflect the infrastructure size and service delivered by rail transit systems and the consequent level of effort required from each State.

FTA is apportioning twenty percent (20%) equally to each eligible State through a second tier, the Base Tier, to provide funding equally among the eligible States and ensure a minimum funding level for each State.

FTA is apportioning the remaining twenty percent (20%) through a third tier, the Modal Tier, which takes into account the number of separate rail transit systems (e.g., light rail, heavy rail, etc.) not regulated by the FRA in each State's jurisdiction. The Modal Tier is intended to reflect the additional oversight activities and technical complexity associated with overseeing each distinct rail mode.

The table below summarizes the percentage apportioned to each tier. A flow chart that further explains the final formula is available on the FTA Web site (*http://www.fta.dot.gov/12853_14910.html*).

TABLE 1—FINAL FORMULA FACTORS AND PERCENT APPORTIONED UNDER EACH FACTOR

| Service tier factors (60%)[1] | Base tier factor (20%) | Modal factor (20%) |
|---|---|---|
| PMT Factor (15%) ..... | Equal amount per eligible State .... | Number of separate rail modes in each State's jurisdiction not regulated by FRA, as reported to the NTD, or in the engineering or construction phase of development. |
| VRM Factor (15%). | | |
| DRM Factor (30%) as reported to the NTD. | | |

[1] FTA includes a 15% cap on each factor within the Service Tier.

Consistent with other formula programs, FTA uses VRM, DRM, and PMT data as reported to the NTD. Also, as consistent with other FTA apportionments, FTA uses passenger car miles to calculate VRM. A modal system in revenue operations must be an NTD reporter during the previous NTD Reporting Year to be included in the Service Tier apportionment. For example, a rail transit system in operations must have reported to the NTD in Report Year 2011 to be included in the FY 2013 Apportionment. See the NTD Web site for information on becoming a NTD reporter (*http://www.ntdprogram.gov/ntdprogram/ntdid.htm*).

FTA reserves the right to remove out-of-service rail transit systems from the apportionment. If a previously operational system is out of service for one or more years, as of September 30 of the current fiscal year, the system may not be eligible for inclusion in the next fiscal year apportionment.

For the Modal Tier, FTA is apportioning an equal amount of funding for each rail transit system mode in the State's jurisdiction reported to the NTD. Projects in engineering or construction may not report to the NTD and, as such, FTA will use a separate process to identify the appropriate number of modes in engineering or construction to use in this formula. States must notify FTA of their intent to oversee and receive formula funding for rail transit systems in engineering or construction in their annual SSO report in order for the project(s) to be considered for inclusion in the apportionment. States that are new to the SSO program and are not currently required to complete an annual SSO report should work with FTA to assess whether the project meets the definition of engineering and construction, as defined in this notice, and can be included in the apportionment.

Projects must be in engineering or construction by the SSO Program annual report submission due date, which is typically March 15 of the prior fiscal year. For FY 2013 and FY 2014 only, FTA will use the beginning of the fiscal year (October 1, 2012 and October 1, 2013, respectively) as the date for inclusion.

FTA evaluates the projects submitted and determines whether they fall within the definition of engineering or construction, as described in this notice. FTA will post a table on its Web site that includes the data used for each apportionment (see *http://www.fta.dot.gov/12853_13935.html*). FTA monitors projects in the engineering and construction phase of development to confirm the project is progressing and States are using the SSO Formula Grant Program funds to oversee the safety of these projects. FTA reserves the right to change its initial determination (to include a project in the apportionment) if there is a significant change to the level of financial commitment. States should contact FTA to discuss specific projects.

In cases where a rail transit system serves multiple States, FTA apportions funding associated with the Service Tier and the Modal Tier to the eligible State in which the rail transit system is headquartered. For the States that are apportioned funds based upon a rail transit system that serves multiple States, apportioned funds pursuant to the Service Tier and the Modal Tier are distinguished by each system within that State. A State that is apportioned funds based upon a multi-State rail system may use those apportioned funds only for the oversight of that multi-State rail system. The amount apportioned to each eligible State in the Base Tier is unaffected by multi-state rail transit systems. The eligible State to which funds are apportioned is ultimately responsible for carrying out the grant program responsibilities as the FTA grantee (although FTA recognizes a subrecipient relationship may exist). Each State served by the multi-state rail transit system is expected to support the oversight program's local match as defined in their SSO program plans and grant agreement. As part of the grant application process, FTA requires local agreements that identify how each State will contribute to the SSOP and demonstrate each State's agreement with the division of responsibilities. This approach consolidates federally funded SSOP activities to oversee a single rail transit system into one grant to eliminate duplication of efforts and reimbursement for the same activities, as well as to lessen the eligible States' grant administration burden. FTA recognizes that States with multi-state rail transit systems are developing SSOPs that will conform to MAP–21 requirements. FTA will continue to work with these States on an individual basis.

*2. Comments and Responses*

In the May 13, 2013 **Federal Register** notice (78 FR 28014), FTA requested comment on six specific questions concerning the methodology used to

apportion SSOP funding. FTA received 16 comments and reviewed each comment it received. The 16 comments were from 13 SSOAs and 3 rail transit systems.[1]

The comments generally supported SSO grant funding and improving SSOPs to strengthen safety oversight of rail transit systems. FTA received a number of additional questions and comments about eligible activities and expenses under the SSO Formula Grant Program, local match requirements, the period of availability of the funds, and FTA's administration of the grants. These areas are discussed in more detail in Section E.4 of this notice. Other questions and comments included the future of the SSO Formula Grant Program beyond MAP–21 and the uncertainty of the level of available funding in the future.

The section below provides the six questions posed in the May 13 notice, a summary of the comments received, and FTA's corresponding response. Some commenters did not provide comments on each question, so each question has fewer than 16 commenters.

i. Should FTA include a Base Tier Factor and is this share appropriate?

*Comments:* Eight of eleven commenters agreed that FTA should include a Base Tier Factor and distribute twenty percent (20%) of the total available funds equally to each State. These commenters stated that the allocated amount for each State under the Base Tier would be sufficient to cover the expenses for one full-time employee and reasonable program expenses. One commenter agreed with having the Base Tier factor, but wanted a higher percentage of the total apportionment allocated for this Tier. Another commenter stated that the factor and amount allocated for the factor would be appropriate to carry out 49 CFR Part 659, but insufficient to carry out additional duties beyond those required in 49 CFR Part 659. Finally, one commenter disagreed with the Base Tier because it had ''no practical correlation to the characteristics that drive the susceptibility and risk of a system.''

*Response:* In allocating twenty percent (20%) of the available funds for the Base Tier, FTA intends to alleviate some of the basic cost burdens for each State to develop or carry out an SSOP that addresses MAP–21 requirements. FTA recognizes that this amount may not be sufficient to cover all costs associated with a SSOP, but the funds apportioned through the Base Tier, as well as the Service Tier and the Modal Tier, along with the local match funds, should provide substantial, if not full, support to all States.

ii. Should FTA include an Oversight Complexity Tier Factor as presented?

*Comments:* Ten of fourteen commenters generally agreed that FTA should include an Oversight Complexity Tier Factor. However, three of these ten commenters stated that because this tier only considered one dimension of complexity (i.e., the number of rail modes), it would not fully capture the increased oversight burden resulting from increasing degrees of complexity of each rail mode. One commenter stated that the percentage allocated to this tier should be higher. Three commenters stated that FTA miscalculated the number of rail modes in their respective States.

*Response:* FTA instituted this component of the formula to recognize that a State must oversee additional technical complexity for each rail technology present at each rail transit agency it oversees. This may become increasingly important as FTA adopts minimum vehicle safety standards. As one respondent noted, each unique system type has different operational and infrastructure components. FTA's intent is to distribute funds in a manner that reflects each State's level of effort. Although other drivers of complexity may exist, readily available, objective data does not exist to measure these drivers of safety oversight complexity. Therefore, for now, FTA will allocate these funds using the number of rail modes in a particular State. FTA renamed this tier as the Modal Tier to more accurately reflect the measure used.

In response to commenters that believed FTA had miscalculated the number of rail modes in their respective States, FTA believes these issues have been resolved or clarified based upon, among other things, the definition of a rail transit system and the requirements for consideration under this tier. States should contact FTA to discuss any specific cases.

iii. Should FTA include rail fixed guideway public transportation systems in the engineering or construction phase of development in the Oversight Complexity Tier?

*Comments:* Ten of eleven commenters agreed with FTA's proposal to include rail transit systems in the engineering or construction phase of development in the Oversight Complexity Tier. Out of the ten, one commenter stated that this tier should include engineering or construction projects only to the extent that SSO workload is generated and its construction and ultimate operation is assured. Three commenters stated that FTA should include rail transit systems that are not funded by FTA. Some commenters noted that FTA should consider extensions to existing systems and not just projects funded under 49 U.S.C. 5309. According to other commenters, there would be a delay between the time a rail transit system in the engineering or construction phase enters revenue service and is included in an FTA-validated NTD data report. These commenters stated this would cause a delay for States to receive funds.

One commenter disagreed with this factor, stating strong opposition to the inclusion of this factor because it has ''no practical correlation to the characteristics that drive the susceptibility and risk of a system.''

*Response:* As stated above, this tier has been renamed the Modal Tier. FTA will include systems in the engineering or construction phase in the Modal Tier as proposed. This policy encourages SSOPs to have a role in rail transit safety earlier than currently required under 49 CFR Part 659. FTA believes this early investment will improve safety oversight and accountability in the future. Additionally, by providing funding to States to oversee projects in the engineering or construction phase, FTA believes it is reducing the perceived effects of a ''delay'' to include Service Tier data in the apportionment. The process by which FTA determines whether rail transit systems are in the engineering or construction phase of development is described above in Section D.1 of this notice.

Finally, SSO Formula Grant Program funding may be used to oversee rail transit systems that are still in the early stages of development, such as planning, that occur prior to the engineering or construction phase. However, as stated above, only those rail transit systems in the engineering or construction phase of development as defined in this notice will be included in the Modal Tier and additional funds will not be provided for oversight of

[1] Commenters included: Arizona Department of Transportation; California Public Utilities Commission; Colorado Department of Regulatory Agencies, Public Utilities Commission; Hawaii Department of Transportation; New York Metropolitan Transportation Authority; Missouri Department of Transportation; New Jersey Department of Transportation, Oregon Department of Transportation; Sarasota County Area Transit; St. Clair County Transit District; Texas Department of Transportation; Tri-State Oversight Committee; Virginia Department of Rail and Public Transportation; Michigan Department of Transportation; Ohio Department of Transportation; and New York Department of Transportation.

such rail transit systems in earlier development stages. In addition, use of these funds for the oversight of rail transit systems in earlier stages, such as planning, that occur prior to the engineering or construction phase is conditioned upon meeting all applicable Federal requirements even if that particular rail transit system is not funded by FTA. The applicant or that rail transit system should submit documentation to FTA indicating that rail transit system's intent to report to NTD.

iv. Are the Service Tier factors appropriately weighted?

*Comments:* Eight of thirteen commenters stated that the Service Tier factors were appropriately weighted. Two of these eight commenters requested additional explanation of how the dollar amounts were computed. Three commenters raised a concern regarding the delay in the validated NTD data publication for new systems in revenue service that will not receive funding during that delay. One commenter stated that FTA should use anticipated DRM, PMT, and VRM for systems in operations that do not yet have validated Service Tier data in the NTD. Additionally, one commenter stated the percentage of allocated funds under this tier was too high and should not exceed more than forty percent (40%) while two commenters stated the cap for this tier was too low.

*Response:* The factors used in this Service Tier are required by law and cannot be changed, and FTA finds that the percentages of allocated funds for each factor under this tier are appropriate because of the importance Congress placed on these factors. Moreover, FTA finds that the percentages of allocated funds are a good measure for States' safety oversight level of effort. However, FTA agrees that more explanation is warranted and provides this detail below.

In determining the percentages of each Service Tier factor, FTA considered historical data such as the frequency and scope of required SSOP activities based on system size and number of RFGPTSs overseen as well as the annual level of effort totals reported by states for previous years. FTA found that DRM is a useful indicator of the physical size of rail transit system infrastructure, which is closely related to the level of effort required to perform SSO activities. VRM (service provided) and PMT (service consumed) are useful measures of transit service and provide an indication of both SSOP level of effort and safety risk exposure. FTA chose to split these factors evenly between system size (DRM) and service (VRM and PMT). Thus, of the 60% total apportionment allocated to the Service Tier, FTA allocated 30% to DRM, 15% to VRM, and 15% to PMT. Based upon the foregoing, FTA determined these percentages are fair and appropriate. Additionally, in many cases the apportionment in this notice is similar to the historical distribution of resources to fund 2011 SSOP activities, as reported by States.

Finally, this apportionment uses passenger car miles instead of train car miles for the VRM calculation. This is consistent with other FTA formula apportionments.

v. Should FTA include a fifteen percent (15%) cap on each Service Tier factor, and are they weighted appropriately?

*Comments:* Eight of twelve commenters were in favor of a fifteen percent (15%) cap on each Service Tier factor. One commenter stated that if no State is disadvantaged by allowing a State to exceed the fifteen percent (15%) cap, then the cap should not apply. All other commenters disagreed with the fifteen percent (15%) cap and cited various reasons, including that a cap would result in a formula that inaccurately reflected the workload of a specific SSOA, and that more funds are required for States with larger rail transit systems.

*Response:* The cap is intended to improve the fit between States' safety oversight level of effort and the formula funding provided to each State. For the two States that meet this cap in FY 2013, both are apportioned Federal funding well in excess of their reported FY 2011 SSOP expenses and one of the two receives Federal funding approximately ten times greater than its FY 2011 SSOP expenses. Without a cap, States with the largest rail transit systems would receive an overwhelming proportion of the total grant funds. FTA believes the cap better matches funding to level of effort. (See the discussion above for more information on the weight of each Service Tier.)

vi. Should FTA apportion multi-State operator funding to the eligible State in which the operator is headquartered?

*Comments:* Six out of nine commenters disagreed with FTA's proposal that FTA apportion multi-State operator funding to the eligible State in which the operator is headquartered. Three of these six commenters have multi-State operators within their jurisdiction. Of the three commenters that agreed with FTA's proposal, only one commenter is part of a State that includes a multi-State rail transit system. Concerns with FTA's proposal included the following:

- Apportioning the multi-State operator funds to one State would add an extra financial and administrative burden on that State (*e.g.,* all of the local match would need to come from that State);
- A State might not have the authority to accept and administer such funds on behalf of another State;
- Achieving a fair and equitable distribution among multiple States with varying levels of oversight responsibilities; and
- The apportionment methodology could negatively impact States' agreements with each other that cover funding, oversight responsibility, and program administration.

*Response:* FTA is apportioning funding to multi-State operators as proposed in the May 13, 2013 notice. FTA recognizes that there are inherent challenges with apportioning funds for the safety oversight of multi-State operators and has invested a significant amount of time and effort to examine alternatives. FTA believes this approach is the most suitable.

FTA believes the SSO Program activities are more effectively and efficiently managed in one grant as opposed to monitoring program activities and grant reimbursements for one program through multiple grants. Multiple Federal grants to oversee one rail transit system creates extra and potentially duplicative work, regardless of whether a single SSOA or multiple SSOAs provide safety oversight. In the first case, where each State establishes its own SSOA under 49 U.S.C. 5329(e)(5)(A), each State would need to agree to uniform standards and enforcement procedures and to coordinate extensively to ensure there was no duplication of effort in the Federal grant agreements. In the second, a single multi-State SSOA established under 49 U.S.C. 5329(e)(5)(B) would have to manage multiple Federal grants to operate the SSOP.

Although the funding is apportioned to one State, FTA requires local agreements that identify how the States will structure the SSOP and SSOA and how each State will contribute to the local match. Notwithstanding this decision, FTA will continue to work with States that have multi-state rail transit systems within their jurisdictions to resolve any remaining issues.

### E. SSO Formula Grant Program Requirements

This section describes SSO Formula Grant Program Requirements. FAQs are available on FTA's Web site to further

explain grant requirements (*http://www.fta.dot.gov/tso.html*).

*1. Eligible Recipients*

Eligible recipients include any eligible State or entity designated by the eligible State(s) with the legal capacity to perform all of the following responsibilities:

(a) Receive and dispense Federal funds for the purposes of the SSOP;

(b) Submit grant applications to FTA; and

(c) Enter into formal grant agreements with FTA.

*2. Eligible Activities*

FTA requires each applicant to demonstrate in its grant application that its proposed grant activities will develop, lead to, or carry out an enhanced SSOP that meets the requirements under 49 U.S.C. 5329(e). Grant funds may be used for program operational and administrative expenses, including employee training activities. Grant funds under this program used for activities related to oversight of rail transit systems within an SSOA's jurisdiction must meet the definition of a rail transit system as defined herein, including those in operation, in the engineering or construction phase of development as defined herein, and those in a planning or other earlier phase occurring prior to the engineering or construction phase as long as that rail transit system meets all applicable Federal requirements. As stated above, the applicant or the rail transit system should submit documentation to FTA indicating that rail transit system's intent to report to NTD in order for oversight of such systems to be considered an eligible cost. In addition, it is important to state that SSO Formula Grant funds may not be used to support activities that meet 49 CFR Part 659 requirements unless those activities also meet 49 U.S.C. 5329(e). FTA has provided FAQs to further clarify eligible activities: *http://www.fta.dot.gov/tso.html*.

Also, FTA will work with the transit industry in using the Safety Management System (SMS) approach to bridge the disparity between the current SSO program and the enhanced requirements specified in 49 U.S.C. 5329. Therefore, State participation in FTA-sponsored SMS activities, such as training, review of technical assistance materials, completion of gap assessments and development of transition or implementation plans, are eligible activities funded through the SSO Formula Grant Program.

FTA is in the process of implementing the National Public Transportation Safety Program under 49 U.S.C. 5329 and a rulemaking on the SSO Program, among other things, is expected under 49 U.S.C. 5329(e). If FTA subsequently establishes criteria or conditions for grants made under the SSO Formula Grant Program that are different from those in this notice, the different criteria or conditions will not be applied retroactively to applications submitted or grants awarded consistent with this notice, unless the change benefits the applicant.

(a) *SSOP Certification*

As stated in the May 13, 2013 **Federal Register** notice, the grant award and certification processes are considered separate and distinct from each other. FTA announced the initial certification status of each eligible State on October 1, 2013. To determine this status, FTA evaluated each eligible State's submitted SSO program against the statutory mandates set forth in 49 U.S.C. 5329(e). As required in 49 U.S.C. 5329(e)(7), FTA provided each State with the results of this evaluation in writing by October 1, 2013. FTA also conducted teleconference calls with the eligible States to review these results.

States that were certified may be awarded grants to cover the costs associated with implementing or carrying out their SSO programs. States that were not certified, but received FTA approval to submit grant applications, may be awarded grants to support initial development and implementation of enhanced SSOPs. Regardless, as stated above, States may only use grant funds to develop or carry out activities that meet requirements specified in 49 U.S.C. 5329(e). States may not use grant funds to carry out activities established in their 49 CFR Part 659 programs that do not also address 49 U.S.C. 5329(e) provisions.

To confirm States use their grant funds to enhance their SSOPs in ways that address MAP–21 requirements, FTA intends for States to use FTA's October 1, 2013 certification correspondence and the supporting teleconference calls to develop work plans to supplement their applications to FTA's new SSO Formula Grant Program. States that are not certified are required to provide these work plans as part of the grant application process and must be submitted and approved prior to submission of the State's grant application. States that are certified are encouraged, but not required, to submit work plans that will further enhance their SSOPs. FTA will work with grantees to identify meaningful milestones to apply grant funding.

These work plans should demonstrate a clear and workable transition to meet MAP–21 statutory requirements. They should identify gaps or deficiencies in their respective State's authorizing safety legislation relative to MAP–21 statutory requirements, articulate a clear end result to achieve compliance, and identify eligible activities with reasonable timeframes to accomplish these goals. FTA will provide States with a work plan template, as well as supporting materials for addressing some of the more common gaps in meeting MAP–21 provisions. These materials are available on the FTA Web site at: *http://www.fta.dot.gov/tso.html*. States are not required to use these materials and may use a format of their choice when developing their work plan.

FTA will review each plan to assess compliance with MAP–21 statutory requirements and the reasonableness of the activities and timeframes proposed. Each State's work plan must be accepted by FTA before the State may submit its grant application and the funds can be awarded. FTA will work closely with each eligible State to determine conformance with these eligibility criteria and to develop these transition or remedial work plans to address any non-compliance with these criteria.

*3. Ineligible Activities*

The SSO Formula Grant Program specified in 49 U.S.C. 5329(e)(6) is intended to support administrative and operating costs for State safety oversight of rail transit systems. Therefore, the following costs are ineligible:

(a) Project costs that cover rail transit system expenses;

(b) Project costs for State activities unrelated to the SSOP;

(c) Project costs that directly support the operation or maintenance of a rail transit system;

(d) Project costs for which the recipient has received funding from another Federal agency; and

(e) Other project costs that FTA determines are not appropriate for the SSOP.

To find standards for determining eligible and ineligible expenses, see 2 CFR part 200.

*4. Grant Application Procedures*

To receive the funds apportioned through this formula, each eligible State must be or become an FTA grantee. Eligible States should follow these steps to begin the grant application process:

(a) *Identify FTA grant recipient:* Each Governor will need to identify the State agency that will be the FTA grant recipient for these program funds by sending a letter to the appropriate FTA Regional Administrator. A listing of

FTA Regional Offices and full contact information is available at *http://www.fta.dot.gov/.*

(b) *Coordinate with the FTA Regional Office:* The identified grant recipient should work with the FTA Regional Office to determine what additional activities or information are required with respect to the new SSO Formula Grant Program. If the identified grant recipient is not an existing FTA grant recipient, it must work with the appropriate FTA Regional Office to be established as a new FTA recipient. The FTA Regional Office will identify the specific activities necessary to become established as a FTA recipient.

(c) *Identify sufficient and allowable matching funds:* Eligible States are required to provide a twenty percent (20%) match for FTA-funded SSOP activities. See section E.5.b ''Local Share'' for more information.

*5. Grant Requirements*

Section 5329(e)(6)(B)(ii) requires that grant funds apportioned to eligible States must be subject to uniform administrative requirements for grants and cooperative agreements to State and local governments under part 18 of title 49, Code of Federal Regulations. Thus, 49 CFR Part 18 applies to SSO grant funding. SSO grant funding under 49 U.S.C. 5329(e)(6) is also ''. . . subject to the requirements of this chapter [49 U.S.C. chapter 53] as the Secretary determines appropriate.'' 49 U.S.C. 5329(e)(6)(B)(ii). Among these requirements, the following terms and conditions apply:

(a) Work Plan Submission Requirements. As stated in section E.2 (a) above, States that have not yet been certified as part of FTA's October 1, 2013 initial certification determination must submit a work plan. The work plan must identify and address gaps and deficiencies in the State's SSOP to meet 49 U.S.C. 5329(e) requirements. See section E.2 (a) of this notice for additional information.

(b) 49 CFR Part 659. Until three years after a final rule issued by FTA, 49 U.S.C. 5330 and its implementing regulations at 49 CFR Part 659 will stay effective. In order to receive FTA funding for its SSOP, recipients in compliance with 49 CFR Part 659 as of October 1, 2013, must, at a minimum, maintain compliance until these provisions are repealed. However, as stated above, SSO Formula Grant Program funds may not be used to support activities that meet 49 CFR Part 659 requirements unless those activities also meet 49 U.S.C. 5329(e) requirements.

(c) Local Share. FTA's formula provides a Federal share covering up to eighty percent (80%) of the eligible project costs of an SSOP grant developed or carried out under MAP–21. Eligible States must provide at least a twenty percent (20%) local share. The twenty percent (20%) local share may not include other Federal funds, any funds received by the State from a rail transit agency, or any revenues earned by a rail transit agency. Section 5329(e)(4)(A)(i) requires each SSOA to be financially and legally independent from any public transportation entity it oversees. States that currently rely entirely upon fees, assessments, or funding from rail transit systems in their jurisdiction to fund SSO activities are unable to use those funds for any SSO Formula Grant Program activities and will need to address this issue of financial and legal independence as part of their work plan. FTA will work with these States on an individual basis, to the extent necessary, to identify permissible local share sources. States overseeing multi-state operations may include funds collected from partner States as part of their local share as long as those funds are not otherwise prohibited under this Grant Program. As part of the grant application, States need to include the source of the local match. In addition, for those States overseeing multi-state operations must show evidence of agreement regarding how the local share will be met among the States.

(d) Period of availability. SSO Formula Grant Program funds are available for the year of apportionment plus two additional years. Any FY 2013 funds that remain unobligated at the close of business on September 30, 2015 will revert to FTA for reapportionment under the SSO Formula Grant Program. Any FY 2014 funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment under the SSO Formula Grant Program.

(e) Pre-award authority. Grantees may be reimbursed for eligible activities incurred as of the date of publication of this notice, provided the grantee has been certified or upon approval of a certification work plan. A grant marked for pre-award authority cannot be executed unless the Initial Federal Financial Report (FFR) has been completed in TEAM-Web. Please see the most current version of FTA Circular 5010, ''Grants Management Guidelines'' found on FTA's Circular Web page. (*http://www.fta.dot.gov/circulars*) or contact your Regional Office for more information.

(f) Procurement and contracting guidelines. FTA procurement and contracting requirements apply to projects funded by the SSO Formula Grant Program. For additional information, please see the latest version of FTA Circular 4220.1, ''Third Party Contracting Guidance.'' (*http://www.fta.dot.gov/circulars*)

(g) Grant Management. FTA Circular 5010, ''Grants Management Guidelines'' (*http://www.fta.dot.gov/circulars*) provides FTA's grant management requirements. All recipients need to affirm the current version of FTA's Master Agreement, which contains the terms and conditions applicable to awards of Federal financial assistance. The Master Agreement will be incorporated by reference and made part of the underlying Grant Agreement when executed. The latest Master Agreement can be found on FTA's Web site (*http://www.fta.dot.gov/grants/15072.html*).

(h) Annual Certifications and Assurances. Each Applicant for (and later Recipient of) SSO grant funds must sign and submit the required Certifications and Assurances and submit updated Certifications and Assurances annually thereafter. Submissions may be made electronically through TEAM-Web. The latest Certifications and Assurances can be found on FTA's Web site at *http://www.fta.dot.gov/grants/13071.html.*

(i) Planning requirements. Projects funded by the SSO Formula Grant Program may, but are not required to, be included in the Statewide Transportation Improvement Program (STIP) or a Metropolitan Transportation Improvement Plan (TIP). Inclusion of such projects in the STIP or TIP is not a prerequisite in order to be reimbursed by FTA.

(j) Cost Principles (2 CFR Part 200 subpart E). Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses. Grantees should exercise care when incurring costs to confirm all expenditures meet the criteria of eligible costs. Failure to comply with these requirements may result in expenditures for which use of project funds cannot be authorized. For further information on allowable costs and FTA financial grant management expectations, please refer to the most current version of FTA Circular 5010, ''Grants Management Guidelines'' Chapter VI, ''Financial Management.'' The document can be found at the following web address: *http://www.fta.dot.gov/documents/C_5010_1D_Finalpub.pdf.*

(k) Apportionments Based Upon a Rail Transit System That Serves Multiple States. As stated above, for a State that is apportioned funds based upon a rail transit system that serves multiple States, apportioned funds pursuant to the Service Tier and the Modal Tier are distinguished by each system within that State. The amounts apportioned based upon a particular system that serves multiple States may only be used for oversight of that system.

*6. Award Administration*

Upon award, payments to recipients will be made by electronic transfer to the recipient's financial institution through FTA's Electronic Clearing House Operation web-based system (ECHO-Web), an Internet accessible system that provides grantees the capability to submit payment requests on-line. New applicants should contact the appropriate FTA Regional Office to obtain and submit the registration package necessary for set-up under ECHO-Web.

Grantees must submit a quarterly Federal Financial Report and Milestone Progress Report in TEAM-Web consistent with the most current version of FTA Circular 5010, ''Grants Management Guidelines,'' as well as any other reporting requirements FTA determines necessary. When applicable, FTA will review the quarterly reports to assess consistency with the SSOP work plans approved by FTA.

FTA is responsible for conducting oversight activities to confirm grant recipients are using Federal financial assistance in a manner consistent with their intended purpose and in compliance with regulatory and statutory requirements. FTA conducts periodic oversight reviews to assess grantee compliance and will similarly, or in conjunction with other oversight reviews, conduct oversight reviews and audits of the operations of each SSOA at least once triennially as required under 49 U.S.C. 5329(e)(9).

**Therese W. McMillan,**

*Deputy Administrator.*

[FR Doc. 2014–05058 Filed 3–7–14; 8:45 am]

**BILLING CODE 4910–57–P**

## DEPARTMENT OF THE TREASURY

### Fiscal Service

### Surety Companies Acceptable on Federal Bonds: Change in State of Incorporation; Bond Safeguard Insurance Company; Correction

**AGENCY:** Bureau of the Fiscal Service, Fiscal Service, Department of the Treasury.

**ACTION:** Notice; Correction.

**SUMMARY:** The Fiscal Service published in the **Federal Register** of February 25, 2014, 79 FR 10624, Supplement No. 4 to Treasury Department Circular 570, 2013 Revision.

Supplement No. 4 provided notice that BOND SAFEGUARD INSURANCE COMPANY had redomesticated from the state of Illinois to the state of South Dakota effective December 9, 2013, and that Federal bond-approving officials should annotate their reference copies of the Treasury Department Circular 570, 2013 Revision, to reflect this change. This notice information was correctly stated in the first paragraph of the Supplementary Information section.

Supplement No. 4 provided incorrect notice information in the second paragraph of the **SUPPLEMENTARY INFORMATION** section. The second paragraph stated: ''With respect to any bonds currently in force with this company, bond-approving officers may let such bonds run to expiration and need not secure new bonds. However, no new bonds should be accepted from this company and bonds that are continuous in nature should not be renewed.'' Supplement No. 4 is being corrected to delete this second paragraph because it only applies (and should only be included in notices) when a surety has been removed or terminated from Treasury Circular 570, which is not the case here. BOND SAFEGUARD INSURANCE COMPANY is and continues to be an acceptable surety on Federal bonds which meets Treasury Circular 570 requirements.

**FOR FURTHER INFORMATION CONTACT:** Surety Bond Branch at (202) 874–6850.

**Correction**

In the **Federal Register** of February 25, 2014, in FR Doc. 2014–03915, on page 10624, in the first column, delete the paragraph reading: ''With respect to any bonds currently in force with this company, bond-approving officers may let such bonds run to expiration and need not secure new bonds. However, no new bonds should be accepted from this company and bonds that are continuous in nature should not be renewed.''

Dated: February 27, 2014.

**Kevin McIntyre,**

*Manager, Financial Accounting and Services Branch, Bureau of the Fiscal Service.*

[FR Doc. 2014–05078 Filed 3–7–14; 8:45 am]

**BILLING CODE 4810–35–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Regulation Project

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). The IRS is soliciting comments concerning information collection requirements related to the obligation of material advisors to prepare and maintain lists with respect to reportable transactions.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the regulation should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224 or through the Internet at *Gerald.J.Shields@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* AJCA Modifications to the Section 6112 Regulations.

*OMB Number:* 1545–1686.

*Regulation Project Number:* T.D. 9352.

*Abstract:* This document contains final regulations under section 6112 of the Internal Revenue Code that provide the rules relating to the obligation of material advisors to prepare and maintain lists with respect to reportable transactions. These regulations affect material advisors responsible for keeping lists under section 6112.

*Current Actions:* There is no change to this existing regulation.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Business or other for-profit organizations, individuals or households.

*Estimated Number of Respondents:* 500.

*Estimated Time per Respondent:* 100 hours.

*Estimated Total Annual Burden Hours:* 50,000.

The following paragraph applies to all of the collections of information covered by this notice:

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.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 20, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05037 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Rev. Proc. 2008–27

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Rev. Proc. 2008–27, 9100 Relief Under Sections 897 and 1445.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of this revenue procedure should be directed to Martha R. Brinson, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the Internet at *Martha.R.Brinson@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* 9100 Relief Under Sections 897 and 1445.

*OMB Number:* 1545–2098.

*Revenue Procedure Number:* Rev. Proc. 2008–27.

*Abstract:* The IRS needs certain information to determine whether a taxpayer should be granted permission to make late filings of certain statements or notices under sections 897 and 1445. The information submitted will include a statement by the taxpayer demonstrating reasonable cause for the failure to timely make relevant filings under sections 897 and 1445. This revenue procedure provides a simplified method for taxpayers to request relief for late filings under sections 1.897–2(g)(1)(ii)(A), 1.897–2(h)(2), 1.1445–2(d)(2), 1.1445–5(b)(2), and 1.1445–5(b)(4) of the Income Tax Regulations.

*Current Actions:* There is no change in the paperwork burden previously approved by OMB.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses and other for-profit organizations, farms.

*Estimated Number of Respondents:* 250.

*Estimated Total Annual Burden Hours:* 1,000 hours.

The following paragraph applies to all of the collections of information covered by this notice:

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.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 26, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05041 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Regulation Project

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). The IRS is soliciting comments concerning information collection requirements related to amortizable bond premium.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue

Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the regulations should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the Internet at *Gerald.J.Shields@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* Amortizable Bond Premium.

*OMB Number:* 1545–1491.

*Regulation Project Number:* REG–209798–95, T.D. 8746.

*Abstract:* This regulation addresses the tax treatment of bond premium. The regulation provides that a holder may make an election to amortize bond premium by offsetting interest income with bond premium, and the holder must attach a statement to their tax return providing certain information. The regulation also provides that a taxpayer may receive automatic consent to change its method of accounting for premium provided the taxpayer attaches a statement to its tax return. The information requested is necessary for the IRS to determine whether an issuer or a holder has changed its method of accounting for premium.

*Current Actions:* There is no change to this existing regulation.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Businesses or other for-profit organizations and individuals.

*Estimated Number of Respondents:* 10,000.

*Estimated Total Annual Burden Hours:* 7,500.

The following paragraph applies to all of the collections of information covered by this notice:

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. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 21, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05044 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Forms 8609 and 8609A

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 8609, Low-Income Housing Credit Allocation and Certification, and Form 8609–A, Annual Statement for Low-Income Housing Credit.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the form and instructions should be directed to Gerald J. Shields, LL.M., at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the Internet at *Gerald.J.Shields@IRS.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* Low-Income Housing Credit Allocation and Certification.

*OMB Number:* 1545–0988.

*Form Number:* Forms 8609 and 8609A.

*Abstract:* Owners of residential low-income rental buildings are allowed a low-income housing credit for each qualified building over a 10-year credit period. Form 8609 can be used to obtain a housing credit allocation from the housing credit agency. A separate Form 8609 must be issued for each building in a multiple building project. Form 8609 is also used to certify certain information. Form 8609–A is filed by a building owner to report compliance with the low-income housing provisions and calculate the low-income housing credit. Form 8609–A must be filed by the building owner for each year of the 15-year compliance period. File one Form 8609–A for the allocation(s) for the acquisition of an existing building and a separate Form 8609–A for the allocation(s) for rehabilitation expenditures.

*Current Actions:* This is an extension of a currently approved collection without changes.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Business or other for-profit organizations and farms.

*Estimated Number of Respondents:* 359,046.

*Estimated Time per Respondent:* 31hrs 01min.

*Estimated Total Annual Burden Hours:* 4,090,332.

The following paragraph applies to all of the collections of information covered by this notice:

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.

Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 21, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05039 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Publication 3319

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Publication 3319, Low-Income Taxpayer Clinics 2012 Grant Application Package and Guidelines.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of publication should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the Internet at *Gerald.J.Shields@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* Low-Income Taxpayer Clinics 2012 Grant Application Package and Guidelines.

*OMB Number:* 1545–1648.

*Publication Number:* Publication 3319.

*Abstract:* Publication 3319 outlines requirements of the IRS Low-Income Taxpayer Clinics (LITC) program and provides instructions on how to apply for a LITC grant award. The IRS will review the information provided by applicants to determine whether to award grants for the Low-Income Taxpayer Clinics.

*Current Actions:* There are no changes being made to the publication at this time.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Not for-profit institutions.

*Estimated Number of Respondents:* 825.

*Estimated Total Annual Burden Hours:* 6,000.

The following paragraph applies to all of the collections of information covered by this notice:

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. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 20, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05038 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

### Proposed Collection; Comment Request for Regulation Project

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning certain returned magazines, paperbacks, or records.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for copies of the regulation should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224 or, through the internet, at *Gerald.J.Shields@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* Certain Returned Magazines, Paperbacks, or Records.

*OMB Number:* 1545–0879.

*Regulation Project Number:* IA–195–78.

*Abstract:* The regulations provide rules relating to an exclusion from gross income for certain returned merchandise. The regulations provide that in addition to physical return of the merchandise, a written statement listing certain information may constitute evidence of the return. Taxpayers who receive physical evidence of the return may, in lieu of retaining physical evidence, retain documentary evidence of the return. Taxpayers in the trade or business of selling magazines, paperbacks, or records, who elect a certain method of accounting, are affected.

*Current Actions:* There is no change to this existing regulation.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Business or other for-profit organizations.

*Estimated Number of Respondents:* 19,500.

*Estimated Time per Respondent:* 25 minutes.

*Estimated Total Annual Burden Hours:* 8,125 hours.

The following paragraph applies to all of the collections of information covered by this notice:

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. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 21, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05043 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF THE TREASURY

### Internal Revenue Service

**[TD 8994]**

### Proposed Collection; Comment Request for Regulation Project

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**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 proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13(44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning an existing regulations relating to electing small business trusts.

**DATES:** Written comments should be received on or before May 9, 2014 to be assured of consideration.

**ADDRESSES:** Direct all written comments to Christie A. Preston, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information or copies of the regulations should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224 or through the Internet at *Gerald.J.Shields@irs.gov*.

**SUPPLEMENTARY INFORMATION:**

*Title:* Electing Small Business Trusts.

*OMB Number:* 1545–1591.

*Regulation Project Number:* REG–251701–96 (TD 8894).

*Abstract:* This regulation provide the rules for an electing small business trust (ESBT), which is a permitted shareholder of an S corporation. With respect to the collections of information, the regulations provide the rules for making an ESBT election, and the rules for converting from a qualified subchapter S trust (QSST) to an ESBT and the conversion of an ESBT to a QSST. The regulations allow certain S corporations to reinstate their previous taxable year that was terminated under Sec. 1.444–2T by filing Form 8716.

*Current Actions:* There is no change to this existing regulation.

*Type of Review:* Extension of a currently approved collection.

*Affected Public:* Business or other for-profit organizations.

*Estimated Number of Respondents:* 7,500.

*Estimated Time per Respondent:* 1 hour.

*Estimated Total Annual Burden Hours:* 7,500.

The following paragraph applies to all of the collections of information covered by this notice:

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. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

*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.

Approved: February 20, 2014.

**Christie A. Preston,**

*IRS Reports Clearance Officer.*

[FR Doc. 2014–05040 Filed 3–7–14; 8:45 am]

**BILLING CODE 4830–01–P**

## DEPARTMENT OF VETERANS AFFAIRS

### GI Bill Trademark Terms of Use

**AGENCY:** Department of Veterans Affairs.

**ACTION:** Notice.

**SUMMARY:** The purpose of this notice is to advise the public of the terms of use for the GI Bill Trademark. The trademark is to protect Servicemembers, Veterans, and eligible family members and survivors eligible for GI Bill educational benefits from schools that mislead with deceptive promotional efforts, targeting those benefits for monetary gain.

**DATES:** *Effective Date:* March 10, 2014.

**FOR FURTHER INFORMATION CONTACT:** Barrett Y. Bogue, GI Bill Outreach Development Team Leader, at (202) 461–9800, Department of Veterans Affairs, Veterans Benefits Administration (22), 810 Vermont Avenue NW., Washington, DC 20420.

**SUPPLEMENTARY INFORMATION:**

*Background:* On April 27, 2012, President Obama signed Executive Order 13607, directing the Department of Veterans Affairs (VA), the Department of Defense, and the Department of Education to undertake a number of measures to ''stop deceptive and misleading'' promotional efforts that target the GI Bill educational benefits of Servicemembers, Veterans, and eligible family members and Survivors. Trademarking ''GI Bill'' was part of that order to protect military families from being misled by schools that target their Federal education benefits.

A trademark is a word, phrase, symbol or design, or a combination thereof, that identifies and distinguishes the source of the goods of one party from those of others. A trademark typically protects brand names and logos used on goods and services.

For the purposes of this trademark, GI Bill is defined as a service, ''providing education benefits, namely, financial assistance such as accelerated payment and tuition assistance for institutions of higher learning, non-college degree programs, on-the-job training and apprenticeship training, flight training, independent training, distance learning and internet training, correspondence training, national testing programs, licensing and certification; entrepreneurship training, work-study programs, and co-op training to Veterans, Servicemembers, National Guard members, Selected Reserve members, and eligible dependents.''

As of October 16, 2012, ''GI Bill'' is a federally registered trademark owned by VA. The mark consists of standard characters without claim to any particular font, style, size, or color.

*Authorized Use of the Trademark:* Third-party use of the trademark is restricted to the education and training institutions eligible to receive VA education benefits, State Approving Agencies, and recognized Veterans Service Organizations. Parties not identified are prohibited from using GI Bill in any manner that directly or indirectly implies a relationship, affiliation, or endorsement with the Department of Veterans Affairs.

*Terms of Use:* Authorized third-parties may use the registered trademark ''GI Bill'' in print, electronic, radio, digital, or other media as established by the terms of use.

The trademark symbol ''®'' should be placed at the upper right corner of the trademarked phrase in the most prominent place at first usage; such as the title of a brochure, form, or the very top of a Web page and the following trademark attribution notice must be prominently visible: ''GI Bill® is a registered trademark of the U.S. Department of Veterans Affairs (VA). More information about education benefits offered by VA is available at the official U.S. government Web site at *www.benefits.va.gov/gibill*.''

Use of the registered trademark symbol is not required each time the mark appears in a single document or on a Web page. However, the symbol should be prominent on all individual documents and Web pages.

Third-party use of the trademark is restricted and subject to the following:

(1) The GI Bill trademark is not to be incorporated or included in company or product names, trademarks, logos or internet domain names.

(2) The term ''GI Bill®'' is to be used solely to promote official VA benefit programs and services and must include the proper trademark symbol.

(3) Use of the trademark attribution notice, indicating that the mark and all associated services belong to VA, is required and shall be taken as evidence that use of the mark is in good faith.

(4) No entity shall use the GI Bill trademark in any manner that directly or indirectly implies a relationship, affiliation, or association with VA that does not exist.

(5) Disparagement or misrepresentations of VA services through use of the mark, or by the use of confusingly similar wording, are strictly prohibited.

*Infringement:* VA reserves the right to bring action against any party that violates VA's terms-of-use concerning the mark in Federal court. Suspected violations must be reported by email to *GI-Bill-Trademark.vbaco@va.gov* with the following information:

- Date suspected violation occurred;
- Location;
- Explanation; and
- Designated Point of Contact Information.

**Authority:** E.O. 13607, USPTO Reg. No. 4,225,784.

## Signing Authority

The Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Jose D. Riojas, Chief of Staff, Department of Veteran Affairs, approved this document on March 1, 2014, for publication.

Dated: March 5, 2014.

**Robert C. McFetridge,**

*Director, Office of Regulation Policy and Management, Office of the General Counsel, Department of Veterans Affairs.*

[FR Doc. 2014–05110 Filed 3–7–14; 8:45 am]

**BILLING CODE 8320–01–P**

# FEDERAL REGISTER

Vol. 79 Monday,
No. 46 March 10, 2014

Part II

## Environmental Protection Agency

40 CFR Part 98
Greenhouse Gas Reporting Rule: Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 98**

**[EPA–HQ–OAR–2011–0512; FRL–9906–85–OAR]**

**RIN 2060–AR96**

## Greenhouse Gas Reporting Rule: Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The EPA is proposing revisions and confidentiality determinations for the petroleum and natural gas systems source category and the general provisions of the Greenhouse Gas Reporting Rule. In particular, the EPA is proposing to revise certain calculation methods, amend certain monitoring and data reporting requirements, clarify certain terms and definitions, and correct certain technical and editorial errors that have been identified during the course of implementation. This action also proposes confidentiality determinations for new or substantially revised data elements contained in these proposed amendments, as well as proposes a revised confidentiality determination for one existing data element.

**DATES:** *Comments.* Comments must be received on or before April 24, 2014.

*Public Hearing.* The EPA does not plan to conduct a public hearing unless requested. To request a hearing, please contact the person listed in the following **FOR FURTHER INFORMATION CONTACT** section by March 17, 2014. If requested, the hearing will be conducted on March 25, 2014, in the Washington, DC area. The EPA will provide further information about the hearing on the Greenhouse Gas Reporting Rule Web site, *http://www.epa.gov/ghgreporting/index.html* if a hearing is requested.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA–HQ–OAR–2011–0512 by any of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Email: GHG_Reporting_Rule_Oil_And_Natural_Gas@epa.gov.* Include Docket ID No. EPA–HQ–OAR–2011–0512 or RIN No. 2060–AR96 in the subject line of the message.
- *Fax:* (202) 566–9744.
- *Mail:* Environmental Protection Agency, EPA Docket Center (EPA/DC), Mailcode 28221T, Attention Docket ID No. OAR–2011–0512, 1200 Pennsylvania Avenue NW., Washington, DC 20460.
- *Hand/Courier Delivery:* EPA Docket Center, Public Reading Room, William Jefferson Clinton (WJC) West Building, Room 3334, 1301 Constitution Avenue NW., Washington, DC 20004. Such deliveries are accepted only during the normal hours of operation of the Docket Center, and special arrangements should be made for deliveries of boxed information.

*Additional Information on Submitting Comments:* To expedite review of your comments by agency staff, you are encouraged to send a separate copy of your comments, in addition to the copy you submit to the official docket, to Carole Cook, U.S. EPA, Office of Atmospheric Programs, Climate Change Division, Mail Code 6207–J, 1200 Pennsylvania Avenue NW., Washington, DC 20460, telephone (202) 343–9263, email address: *GHGReportingRule@epa.gov*.

*Instructions:* Direct your comments to Docket ID No. EPA–HQ–OAR–2011–0512, Greenhouse Gas Reporting Rule: Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule. 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 whose disclosure is restricted by statute.

Should you choose to submit information that you claim to be CBI, clearly mark the part or all of the information that you claim to be CBI. For information that you claim to be CBI in a disk or CD–ROM that you mail to the 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 marked as CBI will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. Send or deliver information identified as CBI to only the mail or hand/courier delivery address listed above, attention: Docket ID No. EPA–HQ–OAR–2011–0512. If you have any questions about CBI or the procedures for claiming CBI, please consult the person identified in the **FOR FURTHER INFORMATION CONTACT** section.

Do not submit information that you consider to be CBI or otherwise protected through *http://www.regulations.gov* or email. The *http://www.regulations.gov* Web site is an ''anonymous access'' system, which means 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 and with any disk or CD–ROM you submit. 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, any form of encryption, and be free of any defects or viruses.

*Docket:* All documents in the docket are listed in the *http://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 *http://www.regulations.gov* or in hard copy at the Air Docket, EPA/DC, WJC West Building, Room 3334, 1301 Constitution Ave. NW., Washington, DC. This Docket Facility 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 Air Docket is (202) 566–1742.

**FOR FURTHER INFORMATION CONTACT:** Carole Cook, Climate Change Division, Office of Atmospheric Programs (MC–6207J), Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460; telephone number: (202) 343–9263; fax number: (202) 343–2342; email address: *GHGReportingRule@epa.gov.* For technical information, please go to the Greenhouse Gas Reporting Rule Web site, *http://www.epa.gov/ghgreporting/*

*index.html*. To submit a question, select Help Center, followed by ''Contact Us.''

*Worldwide Web (WWW)*. In addition to being available in the docket, an electronic copy of today's proposal will also be available through the WWW. Following the Administrator's signature, a copy of this action will be posted on EPA's Greenhouse Gas Reporting Rule Web site at *http://www.epa.gov/ghgreporting/index.html*.

**SUPPLEMENTARY INFORMATION:**

*Regulated Entities*. The Administrator determined that this action is subject to the provisions of Clean Air Act (CAA) section 307(d). See CAA section 307(d)(1)(V) (the provisions of section 307(d) apply to ''such other actions as the Administrator may determine''). These are proposed amendments to existing regulations. If finalized, these amended regulations would affect owners or operators of petroleum and natural gas systems that directly emit greenhouse gases (GHGs). Regulated categories and entities include those listed in Table 1 of this preamble:

TABLE 1—EXAMPLES OF AFFECTED ENTITIES BY CATEGORY

| Category | NAICS | Examples of affected facilities |
|---|---|---|
| Petroleum and Natural Gas Systems | 486210 | Pipeline transportation of natural gas. |
| | 221210 | Natural gas distribution. |
| | 211111 | Crude petroleum and natural gas extraction. |
| | 211112 | Natural gas liquid extraction. |

Table 1 of this preamble is not intended to be exhaustive, but rather provides a guide for readers regarding facilities likely to be affected by this action. Other types of facilities than those listed in the table could also be subject to reporting requirements. To determine whether you are affected by this action, you should carefully examine the applicability criteria found in 40 CFR part 98, subpart A and 40 CFR part 98, subpart W. If you have questions regarding the applicability of this action to a particular facility, consult the person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section.

*Acronyms and Abbreviations*. The following acronyms and abbreviations are used in this document.

BAMM best available monitoring methods
CAA Clean Air Act
CBI confidential business information
CFR Code of Federal Regulations
$CH_4$ methane
$CO_2$ carbon dioxide
$CO_2e$ carbon dioxide equivalent
EIA Energy Information Administration
EOR enhanced oil recovery
EPA U.S. Environmental Protection Agency
FERC Federal Energy Regulatory Commission
FR Federal Register
GHG greenhouse gas
GOR gas to oil ratio
GWP global warming potential
LNG liquefied natural gas
MMscf million standard cubic feet per day
$N_2O$ nitrous oxide
NAICS North American Industry Classification System
NGL natural gas liquids
NTTAA National Technology Transfer and Advancement Act
OMB Office of Management and Budget
QA/QC quality assurance/quality control
RFA Regulatory Flexibility Act
scf standard cubic feet
TSD Technical Support Document
UIC underground injection control
U.S. United States
UMRA Unfunded Mandates Reform Act of 1995

*Organization of This Document*. The following outline is provided to aid in locating information in this preamble.

I. Background
A. Organization of This Preamble
B. Background on the Proposed Action
C. Legal Authority
D. How would these amendments apply to 2014 and 2015 reports?
II. Revisions and Other Amendments
A. Proposed Revisions To Provide Consistency Throughout Subpart W
B. Proposed Changes to Calculation Methods and Reporting Requirements
C. Proposed Revisions to Missing Data Provisions
D. Proposed Amendments to Best Available Monitoring Methods
III. Proposed Confidentiality Determinations
A. Overview and Background
B. Approach to Proposed CBI Determinations for New or Revised Subpart W Data Elements
C. Proposed Confidentiality Determinations for Data Elements Assigned to the ''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' and ''Unit/Process Operating Characteristics That Are Not Inputs to Emission Equations'' Data Categories
D. Other Proposed or Re-Proposed Case-by-Case Confidentiality Determinations for Subpart W
E. Request for Comments on Proposed Confidentiality Determinations
IV. Impacts of the Proposed Amendments to Subpart W
V. Statutory and Executive Order Reviews
A. Executive Order 12866: Regulatory Planning and Review
B. Paperwork Reduction Act
C. Regulatory Flexibility Act (RFA)
D. Unfunded Mandates Reform Act (UMRA)
E. Executive Order 13132: Federalism
F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments
G. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks
H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use
I. National Technology Transfer and Advancement Act
J. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations

## I. Background

### *A. Organization of This Preamble*

The first section of this preamble provides background information regarding the origin of the proposed amendments. This section also discusses the EPA's legal authority under the CAA to promulgate and amend 40 CFR part 98 of the Greenhouse Gas Reporting Rule (hereinafter referred to as ''Part 98'') as well as the legal authority for making confidentiality determinations for the data to be reported. Section II of this preamble contains information on the proposed revisions to 40 CFR part 98, subpart W (hereafter referred to as ''subpart W''). Section III of this preamble discusses proposed confidentiality determinations for new or substantially revised (i.e., requiring additional or different data to be reported) data reporting elements, as well as a proposed revised confidentiality determination for one existing data element. Section IV of this preamble discusses the impacts of the proposed amendments to subpart W. Finally, Section V of this preamble describes the statutory and executive order requirements applicable to this action.

### *B. Background on the Proposed Action*

On October 30, 2009, the EPA published Part 98 for collecting information regarding greenhouse gases (GHGs) from a broad range of industry sectors (74 FR 56260). The 2009 rule,

which finalized reporting requirements for 29 source categories, did not include the petroleum and natural gas systems source category. A subsequent rule was published on November 20, 2010 finalizing the requirements for the petroleum and natural gas systems source category at 40 CFR part 98, subpart W (75 FR 74458) (hereafter referred to as ''the final subpart W rule''). Following promulgation, the EPA finalized actions revising subpart W (76 FR 22825, April 25, 2011; 76 FR 59533, September 27, 2011; 76 FR 80554, December 23, 2011; 77 FR 51477, August 24, 2012; 78 FR 25392, May 1, 2013; 78 FR 71904, Nov. 29, 2013).

In this action, the EPA is proposing to make certain revisions to the petroleum and natural gas systems source category GHG reporting requirements (Part 98, subpart W) and one clarifying edit to a definition in the general provisions source category (Part 98, subpart A). The proposed changes revise certain calculation methods, amend certain monitoring and data reporting requirements, clarify certain terms and definitions, and correct certain technical and editorial errors identified during the course of implementation. The proposed revisions were identified from the verification of annual reports, review of Best Available Monitoring Method (BAMM) request submittals, and questions raised by reporting entities. In conjunction with this action, we are proposing confidentiality determinations for the new and substantially revised (i.e., requiring additional or different data to be reported) data elements contained in these proposed amendments, as well as proposing a revised confidentiality determination for one existing data element.

### *C. Legal Authority*

The EPA is proposing these rule amendments under its existing CAA authority provided in CAA section 114. As stated in the preamble to the 2009 final GHG reporting rule (74 FR 56260, October 30, 2009), CAA section 114(a)(1) provides the EPA broad authority to require the information proposed to be gathered by this rule because such data would inform and are relevant to the EPA's carrying out a wide variety of CAA provisions. See the preambles to the proposed (74 FR 16448, April 10, 2009) and final GHG reporting rule (74 FR 56260, October 30, 2009) for further information.

In addition, the EPA is proposing confidentiality determinations for proposed new or substantially revised data elements in subpart W, as well as proposing a revised confidentiality determination for one existing data element, under its authorities provided in sections 114, 301, and 307 of the CAA. Section 114(c) requires that the EPA make information obtained under section 114 available to the public, except where information qualifies for confidential treatment. The Administrator has determined that this action is subject to the provisions of section 307(d) of the CAA.

### *D. How would these amendments apply to 2014 and 2015 reports?*

The EPA is planning to address the comments we receive on these proposed changes and publish the final amendments before the end of 2014. If finalized, these amendments would become effective on January 1, 2015. Facilities would therefore be required to follow the revised methods in subpart W, as amended, to calculate emissions beginning January 1, 2015 (i.e., beginning with the 2015 reporting year). The first annual reports of emissions calculated using the amended requirements would be those submitted by March 31, 2016, which would cover the 2015 reporting year. For the 2014 reporting year, reporters would continue to calculate emissions and other relevant data for the reports that are submitted according to the requirements of 40 CFR part 98 that are applicable to the 2014 reporting year (i.e. those currently in effect).

## II. Revisions and Other Amendments

The amendments to subpart W that the EPA is proposing include the following types of changes:

- Changes to clarify or simplify calculation methods for certain sources at a facility, and reduce some of the burden associated with data collection and reporting.
- Revisions to units of measure, terms, and definitions in certain equations to provide consistency throughout the rule, provide clarity, or better reflect facility operations.
- Revisions to reporting requirements to clarify and align more closely with the calculation methods and to clearly identify the data that must be reported for each source type.
- Other amendments and revisions identified as a result of working with the affected sources during rule implementation and outreach.

In addition to the specific revisions or amendments discussed in this section of the preamble, the EPA is proposing several minor technical revisions to subpart W to improve readability, to create consistency in terminology, and/or to correct typographical or other errors. These proposed revisions contained in the proposed regulatory text are further explained in the memorandum, ''Proposed Minor Technical Corrections to Subpart W, Petroleum and Natural Gas Systems, in the Greenhouse Gas Reporting Program'' in Docket ID No. EPA–HQ–OAR–2011–0512. The EPA invites public comment on the revisions identified in this memorandum, as well as those outlined in this preamble.

### *A. Proposed Revisions To Provide Consistency Throughout Subpart W*

#### 1. Consistency in Units of Measure for Emissions Reporting

Currently, subpart W requires that reported GHG emissions be expressed in metric tons of $CO_2$ equivalent ($CO_2e$). The EPA is proposing to amend 40 CFR 98.236 to revise the reporting of GHG emissions from units of metric tons of $CO_2e$ of each reported GHG to metric tons of each reported GHG. These proposed changes would increase consistency between the reporting requirements for subpart W and the rest of Part 98, because other subparts of Part 98 generally require the reporting of metric tons of individual GHGs instead of metric tons of $CO_2e$. Reporters would use the global warming potentials (GWPs) in Table A–1 of 40 CFR Part 98, subpart A, as required in 40 CFR 98.2(b)(4), to calculate annual emissions aggregated for all GHGs from all applicable source categories in metric tons of $CO_2e$ for their annual reports.

Specifically, we are proposing to revise the units of emissions reported in 40 CFR 98.236 to require reporting in metric tons of methane ($CH_4$), carbon dioxide ($CO_2$), and nitrous oxide (N2O), as applicable, instead of reporting each gas in metric tons of $CO_2e$. We are also proposing to revise certain calculation methods that require the calculation of emissions in $CO_2e$. For example, subpart W total GHG emissions are calculated using equations that reference GWPs (Equations W–36 and W–40). We are proposing to amend each equation referencing GWPs separately to remove the conversion factors and GWPs that are built into the equations, and allow for calculation of individual GHG emissions in metric tons.

The proposed revisions reduce the likelihood of errors and inconsistencies, because it reduces the number of calculations that need to be completed by reporters and removes some variability in how different reporters may complete these calculations (e.g., a reporter could inadvertently use the wrong GWP). The proposed changes would also simplify analysis of emissions on a GHG-specific basis,

which would facilitate the verification of reported data. In addition, this proposed change would align subpart W with the manner of reporting for most other subparts of Part 98.

2. Onshore Production Source Category Definition

We are proposing to revise the source category definition of onshore petroleum and natural gas production at 40 CFR 98.230(a)(2) to clarify the emission sources covered for purposes of GHG reporting. The proposed amendments clarify the types of emission sources in the onshore petroleum and natural gas production source category to which the reporting requirements of subpart W apply. Specifically, we are proposing to add references to engines, boilers, heaters, flares, separation and processing equipment, and maintenance and repair equipment and to remove references to gravity separation equipment and auxiliary non-transportation-related equipment. Thus, the first sentence of 40 CFR 98.230(a)(2) is proposed to read as follows: ''Onshore petroleum and natural gas production means all equipment on a single well-pad or associated with a single well-pad (including but not limited to compressors, generators, dehydrators, storage vessels, engines, boilers, heaters, flares, separation and processing equipment, and portable non-self-propelled equipment which includes well drilling and completion equipment, workover equipment, maintenance and repair equipment, and leased, rented or contracted equipment) used in the production, extraction, recovery, lifting, stabilization, separation or treating of petroleum and/or natural gas (including condensate).'' The references to gravity separation equipment and auxiliary non-transportation-related equipment in the current rule are redundant with other sources specified in the definition. The proposed amendments do not subject new emission sources to the reporting requirements and do not remove sources currently covered from the reporting requirements, but rather provide a more accurate description of the industry segment for purposes of GHG reporting.

3. Definition of Sub-Basin Category

The EPA is proposing to revise the definition of sub-basin category at 40 CFR 98.238 to clarify coverage for purposes of GHG reporting due to issues identified during implementation. Specifically, we are proposing to define sub-basin category as ''a subdivision of a basin into the unique combination of wells with the surface coordinates within the boundaries of an individual county and subsurface completion in one or more of each of the following five formation types: Oil, high permeability gas, shale gas, coal seam, or other tight gas reservoir rock. The distinction between high permeability gas and tight gas reservoirs shall be designated as follows: High permeability gas reservoirs with >0.1 millidarcy permeability, and tight gas reservoirs with ≤0.1 millidarcy permeability. Permeability for a reservoir type shall be determined by engineering estimate. Wells that produce only from high permeability gas, shale gas, coal seam, or other tight gas reservoir rock are considered gas wells; gas wells producing from more than one of these formation types shall be classified into only one type based on the formation with the most contribution to production as determined by engineering knowledge. All wells that produce hydrocarbon liquids (with or without gas) and do not meet the definition of a gas well in this sub-basin category definition are considered to be in the oil formation. All emission sources that handle condensate from gas wells in high permeability gas, shale gas, or tight gas reservoir rock formations are considered to be in the formation that the gas well belongs to and not in the oil formation.'' The EPA is proposing these edits to clarify that ''tight gas reservoir rock'' generally refers to tight reservoir rock formations that produce gas, and not tight reservoir rock formations that produce only oil, and that wells that produce liquids in a sub-basin from formations other than high permeability gas, shale gas, coal seam, or other tight gas reservoir rock are considered oil wells.

*B. Proposed Changes to Calculation Methods and Reporting Requirements*

This section describes proposed changes or corrections to calculation methods and reporting requirements. In general, the proposed revisions to calculation methods would provide greater flexibility and potentially reduce burden to facilities (e.g., by increasing options for calculating emissions from compressors), and increase clarity and congruency of calculation and reporting requirements (e.g., by clarifying which reporting requirements apply to which calculation methods). The EPA is also proposing minor technical revisions to the calculation methods of subpart W, such as making equation variables and definitions consistent across multiple equations that identify the same parameters, or clarifying requirements that have caused confusion. Please see the memo, ''Proposed Minor Technical Corrections to Subpart W, Petroleum and Natural Gas Systems, in the Greenhouse Gas Reporting Program'' in Docket ID No. EPA–HQ–OAR–2011–0512, for more information on the minor technical revisions included in this proposal.

We are also proposing revisions to the reporting requirements in 40 CFR 98.236. The proposed revisions would restructure the reporting requirements, make reporting requirements consistent with the calculation methods, clarify the data elements to be reported, and improve data utility. In the current subpart W rule, slight inconsistencies between the calculation and the reporting sections have caused confusion among some reporters. In order to improve the quality of the data reported, we are proposing to revise reporting requirements that more clearly align with the calculation methods for each source type.

We are proposing to reorganize the reporting section by source type (e.g., natural gas pneumatic device venting, acid gas removal vents, etc.) and, for each industry segment, list which source types must be reported. These proposed changes would clarify the reporting requirements for each industry segment and streamline verification by reducing the amount of correspondence with facilities during verification regarding required data elements that were not reported. Although the proposed reporting requirements appear lengthier, the revisions separate the requirements into discrete reporting elements in order to facilitate reporting and improve data collection. The proposed revisions to the reporting requirements in 40 CFR 98.236 will clarify which data elements are required to be reported for which facilities. For example, in reviewing the current subpart W reporting forms, if a reporter left certain fields blank in the reporting form (e.g., emissions from flaring), the EPA has been unable to discern whether the field was left blank intentionally. Because the proposed 40 CFR 98.236 would clearly define each data element for each emission source in each industry segment that must be reported, it would clarify which fields in the subpart W reporting form should be populated. In some cases, we are also proposing to add additional data elements to improve the quality of the data reported. The reporting of these proposed data elements would improve verification of reported emissions and reduce the amount of correspondence with reporters that is associated with follow-up and revision of annual reports. In nearly all cases, the new data elements are based on data that are

already collected by the reporter or are readily available to the reporter, and would not require additional monitoring or data collection. For additional information on the proposed changes to the reporting section, see the memo, ''Proposed Revisions to the Subpart W Reporting Requirements'' in Docket Id. No. EPA–HQ–OAR–2011–0512.

1. Natural Gas Pneumatic Device Venting

The EPA is proposing to revise the calculation method for natural gas pneumatic device venting to expand the use of site-specific data on gas compositions, if available, for facilities in the onshore natural gas transmission compression and underground natural gas storage industry segments. The final subpart W rule provides default natural gas compositions of 95 percent $CH_4$ and 1 percent $CO_2$ for onshore natural gas transmission compression and underground natural gas storage, when calculating $CH_4$ and $CO_2$ volumetric emissions from transmission storage tanks (transmission compression), blowdown vent stacks (transmission compression), and compressor venting (40 CFR 98.233(u)(2)(iii) and (iv)). The provisions of 40 CFR 98.233(u)(2) only allow default gas compositions to be used, unless otherwise specified in 40 CFR 98.233(u)(2) (i.e., for onshore production and natural gas processing).

We are proposing to allow either the use of site-specific composition data for natural gas transmission compression and underground natural gas storage facilities or the use of a default gas composition (95 percent $CH_4$ and 1 percent $CO_2$). Specifically, we are proposing to revise the parameter ''GHGi'' in Equation W–1 to remove the default gas composition for $CH_4$ and $CO_2$ and to direct reporters to use the concentrations determined as specified in 40 CFR 98.233(u)(2)(i), (iii), and (iv). This amendment addresses reporter concerns and improves data quality for those using site-specific data. The proposed changes are consistent with provisions for other applicable emission sources at natural gas transmission compression and underground storage facilities and would allow a consistent gas composition to be used for all sources at a facility. The calculation still must be conducted in much the same way that is currently required; however, we are proposing that reporters be allowed to use site-specific data if they are available. Therefore, the EPA does not anticipate that this proposed change will significantly affect the reporting burden. The EPA requests comment on whether the use of site-specific composition data for calculating emissions should be required or optional. The EPA also requests comment and specific details on when, if ever, a facility would not have site-specific gas composition data available.

We are also proposing to revise the natural gas pneumatic device venting calculations (40 CFR 98.233(a)(1), (a)(2), and (a)(3)) to simplify how ''$Count_t$'' of Equation W–1 (total number of natural gas pneumatic devices) must be calculated each year as new devices are added. The revisions clarify that for all industry segments, the reported number of devices must represent the total number of devices for the reporting year. For the onshore petroleum and natural gas production industry segment, reporters would continue to have the option in the first two reporting years to estimate ''$Count_t$'' using engineering estimates.

2. Acid Gas Removal Vents

For acid gas removal vents, we are proposing minor clarifying edits to 40 CFR 98.233(d) to clearly label each calculation method and to clarify provisions by providing references to equations where appropriate. We are also proposing to revise the parameters ''$Vol_{CO2}$'' in Equation W–3 and parameters ''$Vol_I$'' and ''$Vol_O$'' in Equation W–4A and W–4B to clarify that the volumetric fraction used should be the annual average. We are also proposing to specify in 40 CFR 98.233(d)(8) that reporters may use sales line quality specifications for $CO_2$ in natural gas only if a continuous gas analyzer is not available.

3. Dehydrators

We are proposing to revise the dehydrator vents source by renumbering and revising the dehydrator calculation method for desiccant dehydrators in order to clarify the adjustment of emissions to account for venting to a vapor recovery system or to a flare (40 CFR 98.233(e)). The proposed amendments provide for the adjustment of emissions vented to a vapor recovery system or flare (40 CFR 98.233(e)(5) and (e)(6)) for desiccant dehydrators because in the final subpart W rule, it was not clear how such an adjustment would be made. As such, we are clarifying the calculation methods for desiccant dehydrators that vent to a flare or vapor recovery device.

4. Well Venting for Liquids Unloading

The EPA is proposing to revise the calculation and reporting requirements for well venting from liquids unloading to allow for annualizing venting data for facilities that calculate emissions using a recording flow meter (Calculation Method 1). This proposed amendment would address reporter concerns and simplify reporting. Some reporters have expressed difficulty in collecting well venting data using a recording flow meter for the exact period of January 1 to December 31, because they contend that it would require them to be physically present at each recording flow meter on December 31. The EPA is proposing to revise Calculation Method 1 (40 CFR 98.233(f)(1)) such that reporters may use an annualized value to determine the cumulative amount of time of venting (''$T_p$'' in Equation W–7A and W–7B) if data are not available for the specific time period January 1 to December 31. We are specifying that if an annualized value is used, the monitoring period must begin before February 1 and must not end before December 1 of the reporting year, and that a minimum of 300 consecutive days must be used by reporters to determine the annualized vent time. The EPA is also proposing that the date of the end of one monitoring period must be the start of the next monitoring period for the next reporting year, and that all days must be monitored and all venting accounted for. We are proposing that if a reporter uses a monitoring period other than a full calendar year for any well, they must report the percentage of wells for which a monitoring period other than a full calendar year is used. Although the proposed change increases flexibility, the calculation still must be conducted in much the same way that is currently required. Therefore, the EPA does not anticipate that this proposed change will significantly affect reporting burden.

We are proposing to change Calculation Method 1 at 40 CFR 98.233(f)(1) to separate the calculation and reporting of emissions from wells that have plunger lifts and wells that do not have plunger lifts. This separation would allow the EPA and the public to more easily disaggregate emission data and activity data for wells that have plunger lifts and wells that do not have plunger lifts. We are proposing a clarification to Calculation Method 2 in 40 CFR 98.233(f)(2) to clarify that this method is used for wells without plunger lifts.

In a harmonizing change, the EPA is proposing to revise the reporting requirement for reporters using Calculation Method 1, under 40 CFR 98.236 such that reporters would be required to report the cumulative amount of time of venting for each group of wells during the year. Calculation Method 1 uses the cumulative amount of time of venting and not the number of venting events,

to calculate emissions; therefore, this revision would align the reporting requirement with the calculation method. We are proposing harmonizing changes to 40 CFR 98.236 to separate the reporting of emissions from wells with and without plunger lifts when Calculation Method 1 is used.

We are also proposing to amend the definition of the term ''SPp'' in Equation W–8 (40 CFR 98.233(f)(2)) to clarify that if casing pressure is not available for each well, reporters may determine the casing pressure using a ratio of the casing pressure to tubing pressure from a well in the same sub-basin where the casing pressure is known. This amendment would improve the consistency of the calculation method used to determine casing pressure across reporters.

We are also proposing to revise 40 CFR 98.236 to require that facilities using Calculation Methods 1, 2, and 3 report a separate count of wells with plunger lifts and wells without plunger lifts, and to report annual emissions separately from each of those sources, respectively. We are also proposing to amend 40 CFR 98.236 to require the reporting of the cumulative number of unloadings from wells with plunger lifts and unloadings from wells without plunger lifts, the average flow rate of the measured well venting for wells with and without plunger lifts, and the internal casing or tubing diameters and pressures for wells with and without plunger lifts, as applicable. These proposed revisions break out the existing count and emissions reporting requirements to more clearly specify the sources of emissions at facilities. For further information on well venting for liquids unloading, see the Technical Support Document (TSD) ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

5. Gas Well Completions And Workovers

The EPA is proposing to amend 40 CFR 98.238 to add definitions for ''reduced emissions completion'' and ''reduced emissions workover''. Currently, reduced emissions completions and reduced emission workovers are mentioned in the relevant calculation method as equipment that separates natural gas from the backflow and sends this natural gas to a flow-line. However, there are currently no defined terms for reduced emissions completions and reduced emissions workovers. The EPA notes that since the time that subpart W was promulgated, the EPA promulgated new source performance standards for the oil and natural gas sector under 40 CFR Part 60, subpart OOOO, that requires the use of a reduced emissions completion in specified circumstances. The EPA proposes to add a definition for ''reduced emissions completion'' to subpart W that would be consistent with the description of that term in the new source performance standard rulemaking (see 76 FR 52757–8). Specifically, the EPA is proposing to amend 40 CFR 98.238 to define a ''reduced emissions completion'' as a well completion following fracturing where gas flowback that is otherwise vented is captured, cleaned, and routed to the flow line or collection system, re-injected into the well or another well, used as an on-site fuel source, or used for other useful purpose that a purchased fuel or raw material would serve, with no direct release to the atmosphere. We are proposing to amend 40 CFR 98.238 to define a ''reduced emissions workover'' as a well workover with hydraulic fracturing (i.e., refracturing) where gas flowback that is otherwise vented is captured, cleaned, and routed to the flow line or collection system, re-injected into the well or another well, used as an on-site fuel source, or used for other useful purpose that a purchased fuel or raw material would serve, with no direct release to the atmosphere. The EPA does not anticipate these definitional changes would impact current reporters under Part 98 because these changes are clarifying in nature and do not change any requirements of subpart W.

The EPA is also proposing to amend the definition of ''well completions'' in 40 CFR 98.6 to delete the term ''re-fracture'' as this term applies to an already producing well and is considered a well workover, not a well completion, for the purposes of part 98. This amendment is intended to avoid potential confusion concerning whether a re-fracture is a completion or workover in the context of subpart W. This change will also better align the existing definition of ''well completions'' with the new proposed definition of a ''reduced emissions completion'' by clarifying that a reduced emission completion only applies to new fractures and that re-fractures are potentially covered under the new definition of ''reduced emission workover''. The definition of ''well workover'' in 40 CFR 98.6 already refers to re-fractures, so no clarifying change is needed for that definition.

We are also proposing to revise reporting requirements for completions and workovers to differentiate between completions and workovers with different well type combinations in each sub-basin category. A well type combination is a unique combination of the following factors: Vertical or horizontal, with flaring or without flaring, and reduced emission completion/workover or not reduced emission completion/workover. Specifically, for well completions and workovers with hydraulic fracturing, we are proposing to require separate counts and separate reporting of emissions for the different well type combinations. These revisions would improve data quality for emissions from wells with hydraulic fracturing. Because the EPA is proposing to expand the well type definition for completions and workovers with hydraulic fracturing to include whether the well completions/workovers are flared or not, and whether it is a reduced or not reduced emission completion/workover, it is possible that reporters will have more than one reporting category (i.e., different well types in each sub-basin) for completions and workovers with hydraulic fracturing. Therefore, some reporters will be required to further categorize their calculated emissions from completions and workovers with hydraulic fracturing, which they did not have to do before. We anticipate that these proposed changes will increase burden to some reporters somewhat. Reporters will be required to separate and report their calculated emissions from completions and workovers without hydraulic fracturing by whether the emissions are related to completions or workovers, which they do not have to do under the current version of the rule. We anticipate that those proposed changes would only slightly increase burden to reporters.

We are also proposing revisions to Equation W–10A that would add clarity and increase the accuracy of emissions calculations for gas well completions and workovers with hydraulic fracturing. In the final subpart W rule, the measurement or calculation for determining the ratio of flowback during well completions and workovers to 30-day production rate in Equation W–10A (40 CFR 98.233(g)) begins immediately upon initiating flowback of a well. Some reporters have asserted that the flowback characteristics of a well following hydraulic fracturing do not enable measurement or calculation to begin immediately upon initiating flowback due to a lack of sufficient gas being present, and the calculation needs to be revised to account for this fact. Therefore, the EPA is proposing to

modify the calculation to require the measurement of flow rate only when sufficient gas is present to enable flow rate measurement. In addition, some reporters have asserted that the accuracy of emissions calculations could be affected by the combined use of sales gas volume and approximations on flow rates for non-measured wells. To resolve this apparent issue, the time variable ''$T_p$'' in Equation W–10A and W–10B is being modified. Time that the gas is routed to production would no longer be included, so it would no longer be necessary to subtract the volume of gas being sent to sales. This amendment would not significantly change the reporting burden. The proposed equations are similar in complexity as the previous equations and use measurements that are of similar complexity. This proposed revision would improve data quality and provide flexibility by providing an estimation method for data that could not likely be measured accurately.

We are also proposing changes to the calculation section at 40 CFR 98.233(g) and (h) to support the separate calculation of emissions from completions and workovers that are vented, flared, or use equipment that separates natural gas from the backflow and sends this natural gas to a flow-line (e.g., reduced emissions completions or reduced emissions workovers). Reporters currently calculate emissions from all completion and workover activities, but the equations do not facilitate the classification of the activity needed for separate reporting. We are proposing to revise Equation W–13 in 40 CFR 98.233(h) to separate the calculation of emissions from workovers from the calculation of completions into two equations. This amendment will improve data quality. We are also proposing to clarify that reporters must calculate the annual volumetric natural gas emissions from each gas well venting during workovers without hydraulic fracturing using Equation W–13A and from each gas well venting from completions without hydraulic fracturing using new Equation W–13B. We do not anticipate that this proposed change would significantly increase the reporting burden, because the proposed calculations are the same as the current calculation; we only propose to break it into two steps. The proposed methodology also requires the addition of parameter ''$E_{s,p}$'' for Equation W–13B to specify the annual volumetric natural gas emissions in standard cubic feet from well completions. We are also proposing to revise 40 CFR 98.233(g)(1) to clarify the number of measurements or calculations that must be taken to estimate the average ratio of flowback rate (FRM).

We are proposing to revise 40 CFR 98.233(g)(2) to clarify that measurements from the well flowing pressure upstream of a well choke to calculate well backflow must be collected for each sub-basin and well type combination. We are also proposing to revise parameter ''$PR_{s,p}$'' in Equations W–10A and W–10B and Equation W–12 to clarify that the first 30 day average production flow rate is the average taken after completions of newly drilled gas wells or workovers.

For further information on gas well venting during completions and workovers, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

6. Blowdown Vents

Based on questions received during implementation of the final subpart W rule and reporter concerns, the EPA is proposing to revise Equations W–14A and W–14B to include a compressibility term. Specifically, some reporters requested that the EPA allow the use of a factor to adjust for compressibility when calculating emissions from blowdown vents. The calculation method for blowdown vents included in the existing subpart W rule assumes natural gas is an ideal gas with a compressibility factor of 1, and does not include an adjustment for compressibility in the calculation. Although the EPA had previously considered including the compressibility term (76 FR 56010, September 9, 2011), the EPA ultimately did not propose including the factor, because we then concluded that including a compressibility adjustment could create a degree of uncertainty between reporters on how their reported blowdown values compared (on a volume basis). We noted at that time that although the compressibility of pure light hydrocarbon substances is well known, the compressibility of hydrocarbon mixtures is less well known and the composition of natural gas throughout the segments covered by subpart W can be variable. At that time, we determined that ideal gas law calculations were adequate for reporting purposes under Part 98.

The EPA notes that the circumstances surrounding this issue are now different because, as discussed in Section III.B.1 of this preamble, the EPA is proposing to require the use of site-specific data on gas compositions, if available. In addition, we have determined that at high pressures and low temperatures, the accuracy of the emission estimate would be improved if a compressibility factor were included in the calculation. The compressibility of methane at standard conditions is close to one. However, the compressibility of methane at low temperatures and high pressures is lower than one, which may affect the accuracy of the emission calculation if not included in that calculation. Therefore, the EPA proposes to revise Equations W–14A and W–14B in 40 CFR 98.233(i) to include the compressibility term ''$Z_a$''. A default compressibility term of 1 may be used at conditions where the pressure is below 5 atmospheres, and the temperature is above −10 degrees Fahrenheit, or if the compressibility factor at the actual temperature and pressure is 0.98 or greater. We are proposing harmonizing changes to Equations W–33 and W–34 in 40 CFR 98.233(t) to include the compressibility term ''$Z_a$'' for conversion of volumetric emissions at actual conditions to standard conditions. Because it is likely that most facilities handle gas within the proposed compressibility factor default ranges, it is unlikely that adding this compressibility factor term into the blowdown vent stack calculations will significantly increase the reporting burden.

The EPA is also proposing to simplify the reporting for blowdowns. In the final subpart W rule, reporters must calculate and record emissions for each blowdown event that is greater than or equal to 50 cubic feet of actual volume. Currently, for each piece of equipment (unique physical volume) that is blown down more than one time in a calendar year, reports are submitted for the total number of blowdowns, the emissions for each unique physical volume, and the name or ID number for the unique physical volume. For all equipment that is blown down only once during the calendar year, reports are submitted as an aggregate for all such equipment at each facility. Reports include the total number of blowdowns and the emissions from all equipment with unique physical volumes that are blown down only once. The volume of gas vented is calculated for each blowdown event using the conditions specific to the event. However, the reporting of each ''unique physical volume'' blown down more than once in a year may be an extensive list of unique equipment.

A similar reporting approach was adopted by the EPA in the November 2010 version of subpart W (75 FR 74458). There, the reporting

requirement specified that emissions be reported collectively per equipment type. This approach caused some confusion because a list of equipment types was not provided. Therefore we are proposing to revise the current reporting requirements in 40 CFR 98.236(c)(7) to simplify the reporting structure to report blowdown emissions aggregated by seven categories: station piping, pipeline venting, compressors, scrubbers/strainers, pig launchers and receivers, emergency shutdowns, and all other blowdowns greater than or equal to 50 cubic feet. Although facilities are no longer required to report blowdown vent stack emissions by each unique physical volume, facilities still have to calculate blowdown vent stack emissions from each unique physical volume and categorize the emissions by equipment. Therefore, the EPA has determined that this proposed change would not significantly impact burden to reporters.

The EPA is also proposing an optional calculation method for blowdown emissions for situations where a flow meter is in place to measure the emissions directly. If a blowdown vent is equipped with a flow meter, there would not be an advantage to calculating the emissions using the unique volume, temperature, and pressure conditions of the equipment instead of the directly measured flow rate. We are proposing this alternative calculation method in 40 CFR 98.233(i), along with associated reporting requirements in 40 CFR 98.236. We are also proposing additional clarifying edits for both the blowdown calculation and reporting sections of the rule. If a flow meter is in place to measure emissions, the emissions would be reported on a facility basis, and would not be aggregated by emission type per 40 CFR 98.236(i)(2). For further information on blowdown vents, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

7. Onshore Production Storage Tanks

We are proposing to revise the method for estimating emissions from occurrences of well pad gas-liquid separator liquid dump valves that are not properly operating for onshore production storage tanks. The EPA initiated this revision to address reporter concerns and to improve data quality. Specifically, reporters expressed concern with the burden associated with quantifying and recording information for all properly functioning dump valves. The proposed revisions would require the detection of an anomaly and only then require quantification. Hence only those dump valves found to not be closing properly (i.e., stuck dump valves) would have to be quantified. Specifically, the EPA is proposing to simplify Equation W–16 to calculate emissions for only periods when the dump valve is not closing properly.

The EPA is also proposing to revise the reporting section to make it clear that facilities are to separately report the emissions from onshore production storage tanks attributable to periods when dump valves are not closing properly, as opposed to emissions that occur when dump valves are closing properly. In the final subpart W rule, 40 CFR 98.236(c)(8)(iv) requires that facilities report annual total volumetric GHG emissions that resulted from dump valves that are not closing properly. However, Equation W–16 in the final subpart W rule sums the total emissions for periods when the dump valve is closing properly and periods when the dump valve is not closing properly. The EPA is clarifying 40 CFR 98.236 to specify that facilities that use Equation W–16 should report only emissions that result from dump valves that are not closing properly. Note that emissions from atmospheric tanks that are not a result of dump valves not closing properly would continue to be reported in this proposed revision outside of Equation W–16. There is no significant additional burden to facilities, because reporters already use these data elements in Equation W–16: separate tank and dump valve emissions already need to be calculated separately, but would now also be reported separately. This revision would eliminate potential confusion for reporters, clarify recordkeeping requirements, and improve the ability to quantify emissions from stuck dump valves. For further information on emissions from improperly functioning dump valves, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512. These proposed revisions would improve the quality of data collected.

8. Associated Gas Venting and Flaring

The EPA is proposing to add a term to Equation W–18 (40 CFR 98.233(m)(3)) to account for situations where part of the associated gas from a well goes to a sales line while another part of the gas is flared or vented. These amendments improve data quality by eliminating duplicate reporting. Emissions are currently calculated based on the gas-to-oil ratio (GOR) and volume of oil produced during the flaring period. The GOR is based on total gas from the well, which means all the gas would currently be reported as flared even though a portion of the gas goes to a sales line. The proposed revision to Equation W–18 subtracts the volume of associated gas sent to sales from the annual volumetric natural gas emissions from associated gas venting. The EPA has also included in the equation a term ($ERE_{p,q}$) for emissions reported under other sources included in this subpart (i.e., tank venting) to avoid double counting of these emissions. The EPA also proposes updating the definition of the term $GOR_{p,q}$ and the emission result $E_{a,n}$ in Equation W–18 to specify that the gas to oil ratio and the result of the calculation are calculated at standard conditions rather than actual conditions. Because the GOR is measured in standard cubic feet, this change would harmonize the equation terms and the result of the emission calculation equation would be at standard conditions. Although the proposed calculation method modifies the current equation to include two new terms, these terms are already being calculated elsewhere and/or can be estimated. Therefore, the EPA does not anticipate that this proposed change will significantly affect the reporting burden.

The EPA is also proposing to add a definition for the term ''Associated gas venting or flaring'' to clarify what is included in this source. The EPA is proposing to define ''Associated gas venting or flaring'' as ''the venting or flaring of natural gas which originates at wellheads that also produce hydrocarbon liquids and occurs either in a discrete gaseous phase at the wellhead or is released from the liquid hydrocarbon phase by separation. This definition does not include venting or flaring resulting from activities that are reported elsewhere, including tank venting, well completions, and well workovers.'' The proposed definition allows for greater consistency with the changes made to the calculation method. This is a clarifying proposed change that improves data quality and should not significantly affect the burden to current reporters. For further information on emissions from associated gas, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems;

Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

9. Flare Stack Emissions

The EPA is proposing to amend the calculation method for emissions from a flare stack to simplify the calculation to standard conditions and to account for gas that is sent to an unlit flare. Specifically, we are proposing to revise Equation W–19 and combine Equations W–20, and W–21. The EPA also proposes to revise the equations such that the emissions of $CH_4$ and $CO_2$ are calculated in standard conditions. We propose to remove paragraph 40 CFR 98.233(n)(11), which specifies estimating emissions for the volume of gas flared under actual conditions. We also propose to add the terms ''$Z_U$'' and ''$Z_L$'' to Equation W–19 and the terms ''$Z_U$'' and ''$Z_L$'' to Equation W–20 to account for the fraction of gas sent to an unlit flare and the fraction of gas sent to a burning flare. The fraction of feed gas sent to an unlit flare would be determined by using engineering estimates and process knowledge. The proposed changes simplify and clarify the calculation requirements and would improve the accuracy of the collected data by accounting for the fraction of emissions that are not combusted when sent to an unlit flare.

The EPA is also proposing a revision to the onshore natural gas transmission compression, underground natural gas storage, liquefied natural gas (LNG) storage, LNG import and export equipment industry segments to clarify that emissions from any flares in these segments must be reported using the calculation method for emissions from a flare stack. This clarifying revision is consistent with the treatment of flares in other parts of subpart W and is necessary to calculate emissions for compressors routed to flares under the proposed compressor calculation requirement modifications. We anticipate that this proposed change may slightly increase burden for select reporters and will not significantly affect burden for most reporters; however, this clarifying revision is consistent with the treatment of flares in other parts of subpart W and is necessary to calculate emissions for compressors routed to flares under the proposed compressor calculation requirement modifications.

10. Centrifugal and Reciprocating Compressors

Some reporters have contended that the current monitoring requirements for compressor venting are overly burdensome and present safety and operational process concerns. These reporters asserted that it is not practical to require a measurement from each individual compressor for groups of compressors that are routed to a common vent manifold (or flare header), because this would require the entire group of compressors that are connected to the common manifold (or flare header) to be shutdown, blown down, and purged in order to safely install meters (or ports for temporary meters) and enable individual measurements. The reporters stated that it is extremely rare that entire groups of compressors are shutdown at the same time. In the November 2010 response to public comments on the subpart W final rule (Docket ID No. EPA–HQ–OAR–2009–0923), the EPA noted that commenters requested that the EPA allow direct measurements of common manifolded vent lines on compressors. At least one commenter stated that if continuous measurement of manifolded vent lines and aggregate annual emissions reporting were allowed as an option for measuring compressors, they would be able to safely collect and report to the EPA continuously measured data. The EPA did not include this option in the 2010 final subpart W rule because it was not clear whether measurements at a common vent outlet could be used to correctly characterize annual emissions from individual compressors.

In today's action, we are proposing changes to the centrifugal and reciprocating compressor calculation sections (see 40 CFR 98.233(o) and (p)) in order to address reporter concerns related to measuring centrifugal and reciprocating compressor emissions that are routed to a common vent manifold (or flare header). For those compressors, the EPA is proposing an option where reporters would take at least three measurements per year and report the average of the measurements. These measurements would need to be taken before emissions are comingled with other non-compressor emission sources. This option would address reporter's safety concerns for facilities that need to shut down equipment to install individual meters and maintain accurate characterization of annual emissions from compressors at the facility. Annual volumetric emissions would be determined for each manifolded group of compressors combined for all operating conditions (mode-source combinations). Reporters would still be required to report activity data for any individually measured sources (i.e., non-manifolded sources) at the compressor level. Activity data reported would include information about the individual compressors included in the manifolded vent. This proposed measurement option would allow the EPA to correctly characterize and analyze GHG emissions from all compressors at individual facilities in the petroleum and natural gas systems source category while potentially reducing burden to the industry. Although reporting elements include new activity data, reporters would no longer be required to sample manifolded compressor sources individually, thus decreasing overall burden and providing flexibility. For example, if a reporter operates seven compressors that have their blowdown vent stacks manifolded, the reporter would no longer have to conduct seven measurements every year (one for each blowdown vent stack) as required by the current rule. Instead, for this example, the reporter would be required to only conduct a measurement three times per year on the common vent stack that is associated with the manifolded group of seven compressor sources, which would decrease burden for the reporter compared to the seven measurements currently required.

The EPA considered requiring only one or two measurements per year for these manifolded sources (as opposed to the EPA proposal above for the average of three measurements). The EPA concluded that the annual process variability for these sources was high enough to warrant more than one or two measurements per year. Please see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512, for more background and information on the options considered. In addition to seeking comment on our proposed option, the EPA is specifically seeking comment on the two other options that were considered and other derivations of these options (i.e., four measurements per year instead of three). Comments should include justification why the specific option receiving comment does not negatively impact safety, is technical and economically feasible, does not impose undue burden on reporters, and how the option is sufficiently accurate given the annual process variability for these sources.

We are also proposing to include four definitions in 40 CFR 98.238 to support the addition of the calculation method for manifolded vents. We are proposing a definition for ''compressor'' to mean ''any type of vent or valve (i.e., wet seal, blowdown valve, isolation valve, or rod packing) on a centrifugal or reciprocating compressor.'' We are proposing a definition for ''compressor

mode'' to mean ''means the operational and pressurized status of a compressor. For a centrifugal compressor, ''mode'' refers to either operating-mode or not-operating-depressurized-mode. For a reciprocating compressor, ''mode'' refers to either: Operating-mode, standby-pressurized-mode, or not-operating-depressurized-mode.'' We are proposing a definition for ''manifolded compressor source'' to mean ''a compressor source that is manifolded to a common vent that routes gas from multiple compressors.'' We are also proposing a definition of ''manifolded group of compressor sources'' to mean ''a collection of any combination of compressor sources that are manifolded to a common vent.''

In addition, for compressors that are routed to an operational flare, we are proposing to allow operators to calculate and report emissions with other flare emissions (in lieu of estimating compressor emissions based on knowledge of the total flare emissions and the portion of those flare emissions that can be attributed to compressors). This proposed change addresses reporter concerns, provides flexibility, and potentially decreases burden without affecting data quality. Although operators would still be required to report certain compressor-related activity data for each compressor that is routed to an operational flare (as provided for in 40 CFR 98.236(o)(1) and (p)(1)), reporting emissions from compressors (that are routed to an operational flare) with other flare emissions would reduce burden, because reporters would not be required to sample compressors individually or be required to portion flare emissions attributed to compressors.

It was brought to the EPA's attention that the 3-year cycle requirement for measuring compressors in the not-operating-depressurized-mode could present a compliance challenge for some facilities, because not every facility schedules routine shutdowns for maintenance within 3 years. The EPA did not intend for reporters to perform an unscheduled shutdown of a facility for the sole purpose of taking a measurement of the compressor in the not-operating-depressurized-mode. Therefore, we are proposing to revise the requirement to measure each compressor in the not-operating-depressurized-mode at least once in any 3 consecutive calendar years, provided the measurement can be taken during a scheduled shutdown. If there is no scheduled shutdown within three consecutive calendar years, the EPA proposes that a measurement must be made at the next scheduled depressurized compressor shutdown (for reciprocating compressors, this measurement can be taken during the next scheduled shutdown when the compressor rod packing is replaced). By allowing the measurement to be taken at these specified scheduled shutdowns, operators would not have to plan a shutdown of their equipment to take a measurement of their compressor in the not-operating-depressurized-mode. This proposed amendment addresses reporters' concerns and potentially decreases burden without affecting data quality. Even though the ''not-operating-depressurized-mode'' is measured only at scheduled shutdowns (which might be every 3 years or greater), the reporter is still required to conduct an annual measurement in whatever mode the compressor is found. Therefore, the frequency in measurements is unchanged. The EPA also considered modifying the existing requirement to measure each compressor in the not-operating-depressurized-mode at least once every 3 years to correspond to a longer term, such as every 5 years. However, such an extension might not resolve the issue for all reporters. The EPA is specifically seeking comment on our proposed option as well as the additional option that was considered.

The EPA is also clarifying that for reporters that elect to conduct as found leak measurements for individual compressor sources, all measurements from a single owner or operator may be used when developing an emission factor (using Equation W–24 or W–28 of 40 CFR 98.233) for each compressor mode-source combination. If the reporter elects to use this option, the reporter emission factor must be applied to all reporting facilities for the owner or operator. Although this option may make it easier for some reporters to keep track of their calculated reporter emission factors, all reporters are still required to calculate reporter emission factors if they use the as found leak measurement option. Therefore, the EPA does not anticipate that this clarifying edit will significantly affect the reporting burden.

We are also proposing to restructure and revise the centrifugal and reciprocating compressor sections (see 40 CFR 98.233(o) and 40 CFR 98.233(p)) in order to improve clarity for reporters. Because the restructuring was extensive, entirely new text appears for 40 CFR 98.233(o) and 40 CFR 98.233(p). Although the proposed restructuring changes would not significantly change any of the requirements or burden, the proposed restructuring and revisions would clarify current requirements that are vague or confusing. For example, we are proposing to retain the current equations for determining emissions from each compressor's measured mode-source combination and unmeasured mode-source combination; however, we are proposing language that would explain when to use the equation(s). We are also proposing revisions to improve consistency between the centrifugal and reciprocating compressor sections (see 40 CFR 98.233(o) and 40 CFR 98.233(p)). For example, we are proposing to revise the equation variables to bring consistency between the two sections. It is our view that the restructuring and clarification revisions that we are proposing in this action for the centrifugal and reciprocating compressor sections would improve readability and usability for both industry and government regulators. For further information on measuring emissions from compressors, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

11. Natural Gas Distribution: Leak Detection Equipment and Emissions From Components

For natural gas distribution, the final subpart W rule requires reporters to calculate a facility emission factor for a meter/regulator run per component type at above grade metering-regulating (M–R) stations. The calculation of the emission factor using Equation W–32 in 40 CFR 98.233(r) based on the results of equipment leak surveys that are required under 40 CFR 98.233(q) at above grade transmission-distribution (T–D) stations and the subsequent annual emissions calculated for those stations using Equations W–30B. Reporters have pointed out that the nomenclature and inter-related calculations between 40 CFR 98.233(q) and (r) has caused confusion. Therefore, the EPA is proposing to revise the calculation requirements for natural gas distribution facilities and associated terminology in 40 CFR 98.233(q) and (r). Specifically, the EPA is proposing to place the facility meter/regulator run emission factor calculation in 40 CFR 98.233(q) instead of 40 CFR 98.233(r) and clarify that the emission factor is calculated separately for $CO_2$ and $CH_4$ and is on a meter/regulator run operational hour basis, instead of on a meter/regulator run component basis. Facilities calculate annual emissions from above grade transmission-distribution transfer stations using Equation W–30 of 40 CFR 98.233(q).

The emissions are calculated in Equation W–30 on a per component basis based on equipment leak survey results and leaker emission factors for transmission-distribution transfer station components listed in Table W–7. The results of the component level annual emissions calculations using Equation W–30 are then summed for all component types in Equation W–31 to develop the annual facility meter/regulator run emission factors for $CO_2$ and $CH_4$. Those facility emission factors must be recalculated annually as additional equipment leak survey data becomes available from above grade transmission-distribution transfer stations. To calculate annual emissions from above grade metering-regulating stations that are not above grade transmission-distribution transfer stations, facilities must use the emission factors (calculated in Equation W–31) in the annual emissions calculation of Equation W–32B in 40 CFR 98.233(r). Emissions from below grade metering-regulating stations, below grade transmission-distribution transfer stations, distribution mains, and distribution services are calculated using Equation W–32A of 40 CFR 98.233(r) using population emission factors listed in Table W–7. These proposed revisions will alleviate the current confusion with the calculation and reporting requirements for natural gas distribution facilities while capturing the same emissions sources from this industry segment and maintaining the same level of data accuracy. Data are generally reported at a less detailed level, but there is no change in emissions coverage.

12. Onshore Petroleum and Natural Gas Production and Natural Gas Distribution Combustion Emissions

The EPA is proposing to clarify that emissions and volume of fuel combusted must be reported for all compressor driven internal combustion units in 40 CFR 98.236. The EPA is proposing to revise this reporting requirement to be consistent with the emission estimation methods in 40 CFR 98.233(z)(4) that specify the exemption from reporting emissions for internal combustion units with a rated heat input capacity less than or equal to 1 MMBtu/hr (130 horsepower) does not apply to internal fuel combustion sources that are compressor drivers.

*C. Proposed Revisions to Missing Data Provisions*

We are proposing to revise 40 CFR 98.235 to clarify the procedures for estimating missing data. We are proposing to increase the specificity regarding how to use, treat, and report missing data for each calculation specified in 40 CFR 98.233.These proposed revisions would increase clarity for reporters and improve the accuracy of the data reported by ensuring that the data substituted for missing values is limited in use, and, where necessary, well-documented and quality-assured or based on the best available estimates. To address newly acquired wells, the EPA is also proposing missing data procedures specific to facilities that are newly subject to subpart W and to existing onshore petroleum and natural gas production facilities that acquire wells that were not subject to subpart W prior to the acquisition. In these specific cases, the EPA is proposing to allow best engineering estimates for any parameter that cannot be reasonably measured or obtained according to the requirements in subpart W for up to six months from the first date of subpart W applicability. Where facilities acquired additional wells, only data and calculations associated with those newly acquired wells would fall within this proposed provision. This proposed revision provides flexibility for newly acquired facilities or wells. Missing data procedures were previously not allowed for many areas of subpart W; however, with the proposed removal of BAMM, the missing data procedures provide clarity for reporters who may have unintentionally missed required data.

*D. Proposed Amendments to Best Available Monitoring Methods*

In order to provide facilities with time to adjust to the requirements of the rule, subpart W has provisions allowing the optional use of best available monitoring methods (BAMM) for unique or unusual circumstances. Where a facility uses BAMM, it is required to follow emission calculations specified by the EPA, but is allowed to use alternative methods for determining inputs to calculate emissions. Inputs are the values used by facilities to calculate equation outputs. Examples of BAMM include: Monitoring methods used by the facility that do not meet the specifications of subpart W, supplier data, engineering calculations, and other company records. Facilities are required to receive approval from the EPA prior to using BAMM and these facilities are required to specify in their GHG annual reports when BAMM is used for an emission source. The EPA has previously noted that the Agency intended to ''approve the use of BAMM beyond 2011 only in cases that are unique or unusual'' (76 FR 59538). Furthermore, the EPA limited the approvals of BAMM to one reporting year in keeping with the intent to allow use of BAMM as a transitional provision until facilities come into compliance with the final rule. While the EPA occasionally uses BAMM for targeted, short-term monitoring flexibilities (i.e., provision for reporters who become subject to Part 98 from the recent GWP changes to subpart A to have automatic BAMM for the first three months of reporting), no industry-specific subpart within Part 98 continues to use the BAMM flexibility except subpart W.

In this action, the EPA is proposing to remove all provisions in 40 CFR 98.234(f) for BAMM. We are also proposing to remove and reserve 40 CFR 98.234(g), which is a provision specific to the 2011 and 2012 reporting years. The removal of BAMM will improve data quality by requiring consistent reporting for each segment in subpart W. We are proposing these amendments because we expect facilities would be able to comply with the monitoring and QA/QC methods required under subpart W after this proposed rule is finalized and effective. Reporters with issues that were unidentified at the time of the final rule will, by January 1, 2015, have had adequate time to resolve these issues. It has been the EPA's intent throughout implementation of subpart W that BAMM be available as a limited, transitional program to serve as a bridge to full compliance with the rule for cases where reporters faced reasonable impediments to compliance. The EPA never intended to extend BAMM requirements indefinitely. The proposed amendments are therefore in keeping with the EPA's stated intent to transition to reporting without BAMM. We also believe, based on several years of experience with the industry and these reporting requirements, that facilities have successfully transitioned so that they either no longer need to use BAMM or will not need to use BAMM if these proposed revisions are finalized.

In a review of BAMM request submittals for the 2014 reporting year, the EPA found that the sources with the most frequent BAMM requests included centrifugal compressors, reciprocating compressors, blowdown vent stacks, and combustion emissions, which are addressed in this rulemaking. The proposed revisions would also resolve the need for BAMM for certain facilities for which the final subpart W monitoring requirements were technically infeasible. For example, the most common concerns raised in BAMM requests associated with technical infeasibility included concerns related to having to shut down a facility to install access ports to

conduct compressor measurements. As discussed in Section II.B.10 of this preamble, we are making revisions that allow the testing of a common vent and that clarify that operators do not have to shut a facility down for the sole purpose to test a compressor in its non-operating mode, but that the measurement must be made at the next scheduled shutdown.

In light of the extended time period in which the EPA has granted BAMM to allow facilities to come into compliance with subpart W requirements, the revisions that the EPA is proposing to make to the final rule, and the fact that all other industry-specific subparts in Part 98 no longer have continual BAMM, we expect that facilities would be in compliance with the monitoring and QA/QC methods required under subpart W for the 2015 calendar year.

The EPA requests comment and strong technical evidence for site-specific unique or unusual circumstances that would require the use of BAMM after January 1, 2015. These comments should include the details of how and why the special circumstances exist, why the data collection methods in subpart W (including those in this proposal) are not feasible, the data that could not be monitored in order to comply with subpart W, and how specifically the data could otherwise be collected. For further information on BAMM, see the TSD ''Greenhouse Gas Reporting Rule: Technical Support for Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems; Proposed Rule'' in Docket ID No. EPA–HQ–OAR–2011–0512.

## III. Proposed Confidentiality Determinations

### *A. Overview and Background*

In this proposed rule we are proposing confidentiality determinations for new and subtantially revised reporting data elements in the proposed amendments, with certain exceptions as discussed in more detail below. These new and substantially revised data elements would result from the proposed corrections, clarifying, and other amendments that are described in Section II of this preamble, which would also result in substantial changes to the data elements that are reported. We are also proposing to revise the confidentiality determination for one existing data element that is not being amended, as discussed in Section III.B of this preamble. The final confidentiality determinations the EPA has previously made for the remainder of the subpart W data elements are unaffected by the proposed amendments and continue to apply. For information on confidentiality determinations for the GHGRP and subpart W data elements, see: 75 FR 39094, July 7, 2010; 76 FR 30782, May 26, 2011; 77 FR 48072, August 13, 2012; and 78 FR 55994, September 11, 2013. These proposed confidentiality determinations would be finalized after considering public comment. The EPA plans to finalize these determinations at the same time the proposed rule amendments described in this action are finalized.

### *B. Approach to Proposed CBI Determinations for New or Revised Subpart W Data Elements*

For the proposed new and substantially revised data elements, except for the specific data elements separately addressed below, we are applying the same approach as previously used for making confidentiality determinations for data elements reported under the GHGRP. In the ''Confidentiality Determinations for Data Required Under the Mandatory Greenhouse Gas Reporting Rule and Amendments to Special Rules Governing Certain Information Obtained Under the Clean Air Act'' (hereinafter referred to as ''2011 Final CBI Rule'') (76 FR 30782, May 26, 2011), the EPA grouped Part 98 data elements into 22 data categories (11 direct emitter data categories and 11 supplier data categories) with each of the 22 data categories containing data elements that are similar in type or characteristics. The EPA then made categorical confidentiality determinations for eight direct emitter data categories and eight supplier data categories and applied the categorical confidentiality determination to all data elements assigned to the category. Of these data categories with categorical determinations, the EPA determined that four direct emitter data categories are comprised of those data elements that meet the definition of ''emissions data,'' as defined at 40 CFR 2.301(a), and that, therefore, are not entitled to confidential treatment under section 114(c) of the CAA.[1] The EPA determined that the other four direct emitter data categories and the eight supplier data categories do not meet the definition of ''emission data.'' For these data categories that are determined not to be emission data, the EPA determined categorically that data in three direct emitter data categories and five supplier data categories are eligible for confidential treatment as CBI, and that the data in one direct emitter data category and three supplier data categories are ineligible for confidential treatment as CBI. For two direct emitter data categories, ''Unit/Process 'Static' Characteristics that Are Not Inputs to Emission Equations'' and ''Unit/Process Operating Characteristics that Are Not Inputs to Emission Equations,'' and three supplier data categories, ''GHGs Reported,'' ''Production/Throughput Quantities and Composition,'' and ''Unit/Process Operating Characteristics,'' the EPA determined in the 2011 Final CBI Rule that the data elements assigned to those categories are not emission data, but the EPA did not make categorical CBI determinations for them. Rather, the EPA made CBI determinations for each individual data element included in those categories on a case-by-case basis taking into consideration the criteria in 40 CFR 2.208. No final confidentiality determination was made for the inputs to emission equation data category (a direct emitter data category).

For this rulemaking, we are proposing to assign 243 new or revised data elements to the appropriate direct emitter data categories created in the 2011 Final CBI Rule based on the type and characteristics of each data element. Note that subpart W is a direct emitter source category, thus, no data are assigned to any supplier data categories.

For data elements the EPA has assigned in this proposed action to a direct emitter category with a categorical determination, the EPA is proposing that the categorical determination for the category be applied to the proposed new or revised data element. For the proposed categorical assignment of the data elements in these eight categories with categorical determinations, see Memorandum Data Category Assignments and Confidentiality Determinations for all Data Elements (excluding inputs to emission equations) in the Proposed ''Technical Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems'' in Docket ID No. EPA–HQ–OAR–2011–0512.

For data elements assigned to the ''Unit/Process 'Static' Characteristics that Are Not Inputs to Emission Equations'' and ''Unit/Process Operating Characteristics that Are Not Inputs to Emission Equations,'' we are proposing confidentiality determinations on a case-by-case basis taking into

[1] Direct emitter data categories that meet the definition of ''emission data'' in 40 CFR 2.301(a) are Facility and Unit Identifier Information, Emissions, Calculation Methodology and Methodological Tier, Data Elements Reported for Periods of Missing Data that are not Inputs to Emission Equations, and Inputs to Emission Equations.

consideration the criteria in 40 CFR 2.208, consistent with the approach used for data elements previously assigned to these two data categories. For the proposed categorical assignment of these data elements, see Memorandum Data Category Assignments and Confidentiality Determinations for all Data Elements (excluding inputs to emission equations) in the Proposed ''Technical Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems'' in Docket ID No. EPA–HQ–OAR–2011–0512. For the results of our case-by-case evaluation of these data elements, see Sections III.C and III.D of this preamble.

For the reasons stated below, we are proposing individual confidentiality deteminations for 11 new or substantially revised data elements without making a data category assignment. In the 2011 Final CBI rule, although the EPA grouped similar data into categories and made categorical confidentiality determinations for a number of data categories, the EPA also recognized that similar data elements may not always have the same confidentiality status, in which case the EPA made individual instead of categorical determinations for the data elements within such data categories.[2] Similarly, while the 11 proposed new or substantially revised data elements are similar in type or certain characteristics to data elements previously assigned to the ''Production/Throughput Data Not Used as Input'' and ''Raw Materials Consumed that are Not Inputs to Emission Equations'' data categories, we do not believe that they share the same confidentiality status as the non-subpart W data elements already assigned to those two data categories, which the EPA has determined categorically to be CBI based on the data elements assigned to those categories at the time of the 2011 Final CBI Rule. As discussed in more detail below, our review showed that these 11 subpart W production and throughput-related data elements fail to qualify for confidential treatment. Therefore, we do not believe that the categorical determinations for the ''Production/Throughput Data Not Used as Input'' and ''Raw Materials Consumed that are Not Inputs to Emission Equations'' data categories are appropriate for these 11 data elements; accordingly, these data elements should not be assigned to these data categories. Not assigning these 11 data elements to these two data categories would also leave unaffected the existing categorical determinations for these data categories, which remain valid and applicable to the data elements assigned to those data categories. For the reasons stated above, we are proposing individual confidentiality determinations for these 11 data elements without making categorical assignment.

Our proposed individual determinations follow the same two-step evaluation process as set forth in the 2011 Final CBI Rule and subsequent confidentiality determinations for Part 98 data. Specifically, we first determined whether the data element meets the definition of emission data in 40 CFR 2.301(a). Data elements that meet the definition of emission data are required to be released under section 114 of the Clean Air Act. For data elements found to not meet the definition of emission data, we evaluated whether a data element meets the criteria in 40 CFR 2.208 for confidential treatment. In particular, we focus on: (1) Whether the data are already public; and (2) whether ''. . . disclosure of the information is likely to cause substantial harm to the business's competitive position.'' For the results of our case-by-case evaluation of these proposed new subpart W data elements, see Section III.D of this preamble.

We are also proposing to revise the confidentiality determinations for one existing subpart W data element. Our review of the 11 proposed data elements discussed above led us to re-examine our previous determination for this data element, which is similar in type or characteristics to the 11 proposed data elements for which the EPA is choosing to make case-by-case determinations. This one data element is the only subpart W data element currently assigned to ''Production/Throughput Data Not Used as Input'' data category. As discussed in more detail in Section III.D of this preamble, our review showed that this data element fails to qualify for confidential treatment. For the same reasons set forth above for not proposing categorical assignments for the 11 data elements, we are proposing to remove this data element's current category assignment, as well as the application of the categorical CBI determination to this data element. Instead, we are re-proposing a confidentiality determination based on the two-step process discussed above for the proposed 11 new data elements. For the results of our case-by-case evaluation of the proposed subpart W data elements, see Section III.D of this preamble.

We are proposing to assign 40 new or substantially revised data elements used to calculate GHG emissions in subpart W to the ''Input to Emission Equation'' data category. To date, the EPA has not made confidentiality determinations for any data element, including any subpart W data element, assigned to the ''Inputs to Emission Equation'' data category. We are therefore not proposing confidentiality determinations for the 40 proposed new or substantially revised inputs to emission equations data elements. However, due to concerns expressed by reporters with the potential release of inputs to emission equations, we previously established a process for evaluating ''inputs to emission equation'' data elements to identify potential disclosure concerns and actions to address such concerns if appropriate.[3] The EPA has used this process to evaluate inputs to emission equations, including the subpart W data elements that are already assigned to the inputs to emission equations data category.[4] We performed a similar evaluation for the 40 proposed new and substantially revised subpart W inputs to emission equations and did not identify any potential disclosure concerns. Accordingly, the proposal would require reporting of these data elements by March 31, 2016, which is the reporting deadline for the 2015 reporting year. For the list of new and revised subpart W inputs to emission equations and the results of our evaluation, see memorandum titled ''Review of Public Availability and Harm Evaluation for Proposed New Inputs to Emission Equations in the Proposed 'Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems' '' in Docket ID No. EPA–HQ–OAR–2011–0512.

The proposed amendments include revisions a number of subpart W data reporting elements for which confidentiality determinations were previously finalized in the August 13, 2012 ''Final Confidentiality Determinations for Regulations Under the Mandatory Reporting of Greenhouse Gases Rule'' (77 FR 48072). The proposed revisions relative to some of

[2] In the 2011 Final CBI rule, several data categories include both CBI and non-CBI data elements. See 76 FR 30786.

[3] See the ''Change to the Reporting Date for Certain Data Elements Required Under the Mandatory Reporting of Greenhouse Gases Rule'' (hereinafter referred to as the ''Final Deferral Notice'') (76 FR 53057, August 25, 2011) and the accompanying memorandum entitled ''Process for Evaluating and Potentially Amending Part 98 Inputs to Emission Equations'' (Docket ID EPA–HQ–OAR–2010–0929).

[4] See the memoranda titled ''Summary of Data Collected to Support Determination of Public Availability of Inputs to Emission Equations for which Reporting was Deferred to March 31, 2015'' and ''Evaluation of Competitive Harm from Disclosure of Inputs to Equations Data Elements Deferred to March 31, 2015.'' (Docket ID EPA–HQ–OAR–2010–0929).

these data reporting elements would not require different or additional data to be reported under these data elements. The proposed revisions include a reorganization of the reporting requirements so that the data elements more close align with the calculation methodologies. This reorganization of the reporting section would result in changes to many of the rule citations for data elements. In addition to re-structuring the reporting section, the EPA has proposed other minor revisions designed to clarify the existing reporting requirements. For example, some of the proposed changes would clarify the source type (e.g., natural gas pneumatic device venting, acid gas removal vents, etc.) and industry segment that is required to report the data element. The proposed revisions also include corrections of typographical and other clerical errors. These corrections would not change the data to be reported. Although the proposed revisions would separate the requirements into a larger number of discrete reporting elements and would clarify and correct typographical errors, they would not change the underlying data elements to be reported for many data elements. Therefore, the confidentiality determinations finalized in the August 13, 2012 rule continue to apply. We are therefore not proposing revisions to the existing confidentially determinations for the data reporting elements that either would not require different or additional data to be reported under the proposed revisions or the proposed revisions would not change the underlying data elements to be reported. For a summary of the proposed reporting requirements for subpart W that incorporate these changes to data organization and descriptions, see the memo, ''Proposed Revisions to the Subpart W Reporting Requirements'' in Docket ID No. EPA–HQ–OAR–2011–0512.

*C. Proposed Confidentiality Determinations for Data Elements Assigned to the ''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' and ''Unit/Process Operating Characteristics That Are Not Inputs to Emission Equations'' Data Categories*

The EPA is proposing to assign 101 proposed new or substantially revised data elements for subpart W to the ''Unit/Process 'Operating' Characteristics That Are Not Inputs to Emission Equations'' data category or the ''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' data category, because the proposed new or substantially revised data elements share the same characteristics as the other data elements previously assigned to the category. We are proposing confidentiality determinations for these proposed new or substantially revised data elements based on the approach set forth in the 2011 Final CBI Rule for data elements assigned to these two data categories. In that rule, the EPA determined categorically that data elements assigned to these two data categories do not meet the definition of emission data in 40 CFR 2.301(a); the EPA then made individual, instead of categorical, confidentiality determinations for these data elements.

As with all other data elements assigned to these two categories, the proposed new or substantially revised data elements do not meet the definition of emissions data in 40 CFR 2.301(a). The EPA then considered the confidentiality criteria at 40 CFR 2.208 in making our proposed confidentiality determinations. Specifically, we focused on whether the data are already publicly available from other sources and, if not, whether disclosure of the data is likely to cause substantial harm to the business' competitive position. Table 2 of this preamble lists the data elements the EPA proposes to assign to the ''Unit/Process 'Operating' Characteristics That Are Not Inputs to Emission Equations'' and ''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' data categories, the proposed confidentiality determination for each data element, and our rationale for each determination.

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| **''Unit/Process 'Operating' Characteristics That Are Not Inputs to Emission Equations'' Data Category** | | |
| 98.236(d)(1)(iv) | Whether any $CO_2$ emissions are recovered and transferred outside the facility. | This proposed data element would be reported by onshore petroleum and natural gas production facilities and by onshore natural gas processing plants. This data element indicates that a facility is operating an acid gas removal unit and indicates how the facility handles the $CO_2$ emissions it generates. Acid gas removal units are used to remove carbon dioxide and hydrogen sulfide from raw natural gas streams and are commonly found at gas processing facilities. These units are listed in a facility's construction and operating permits, which are publicly available. Because this information is routinely available through required permits, we propose these data elements be designated as ''not CBI.'' |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(e)(1)(xvii) | For each absorbent dehydrator, whether any dehydrator emissions are vented to the atmosphere without being routed to a flare or regenerator firebox. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and by onshore natural gas processing plants. These data elements indicate that a facility is equipped with dehydration units, the number of dehydrators used, the design of dehydrator used (glycol or desiccant), and how emissions from dehydration units are handled by the facility. Dehydration units are used to remove water from natural gas streams. Most natural gas processing facilities are equipped with these units and because they are a source of hazardous air pollutants, these units are subject to rigorous emissions control requirements (e.g., 40 CFR part 63, subpart HH). Dehydration units and their associated control devices are listed in a facility's construction and operating permits, which are publicly available. For this reason, we propose these data elements be designated as ''not CBI'' for both onshore production and natural gas processing plants. |
| 98.236(e)(2)(i) | For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 MMscfd, the total number of dehydrators at the facility. | |
| 98.236(e)(2)(ii) | For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 MMscfd, the total number of dehydrators venting to a vapor recovery device. | |
| 98.236(e)(2)(iii) | For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 MMscfd, the number of dehydrators venting to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes. | |
| 98.236(e)(2)(iv) | For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 MMscfd, whether any glycol dehydrator emissions are vented to a flare or regenerator firebox/fire tubes. | |
| 98.236(e)(2)(iv)(A) | For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 MMscfd and vented to a flare or regenerator firebox, the total number of dehydrators. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, the total number of dehydrators at the facility. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, whether any dehydrator emissions are vented to a vapor recovery device. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, the total number of dehydrators venting to a vapor recovery device. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, whether any dehydrator emissions are vented to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes, and the control device type. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, whether any dehydrator emissions are vented to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, the number of dehydrators venting to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant, whether any glycol dehydrator emissions are vented to a flare or regenerator firebox/fire tubes. | |
| 98.236(e)(3)(i) | For dehydrators that use desiccant and vent to a flare or regenerator firebox, the total number of dehydrators. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(f) | Liquids unloading. You must indicate whether well venting for liquids unloading occurs at your facility. | These proposed data element would be reported by onshore petroleum and natural gas production facilities. Liquid unloading is conducted in mature gas wells that have an accumulation of liquids which impede the steady flow of natural gas. This is a common occurrence in reservoirs where the pressure is depleted and liquids enter the well bore. The fact that liquids unloading occurs and the number of unloading wells with and without plungers vented to the atmosphere indicate that the wells in a basin are older and may indicate changes in production rates. However, the age and production rates for wells are information that can be derived from or are already available to the public through state oil and gas commissions. Hence, this information is routinely publicly available, so we propose these data elements be designated as ''not CBI.'' |
| 98.236(f)(1)(iv) | For each Sub-basin and well tubing diameter and pressure group for which you used Calculation Method 1 (reported separately for wells with plunger lifts and wells without plunger lifts), the count of wells vented to the atmosphere for this grouping. | |
| 98.236(g) | Whether the facility had any gas well completions or workovers with hydraulic fracturing in the calendar year. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and provide information on whether the facility conducted any well completions or workovers during the reporting year, and for those facilities that had well completions and/or workovers, the number of completions and workovers that were completed. Information on the number of completions and workovers performed by an oil and gas operator in a given year and the age and production rates for wells can be derived from or is available publicly on state oil and gas commission Web sites. Because disclosure of these data elements would not be likely to cause substantial competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(g)(3) | For each completion or workover and well type combination, the total number of completions or workovers. | |
| 98.236(h)(1) | You must indicate whether the facility had any gas well completions without hydraulic fracturing or any gas well workovers without hydraulic fracturing, and if the activities occurred with or without flaring. | This proposed data element would be reported by onshore petroleum and natural gas production facilities and provides information on whether the facility conducted any well completions or workovers during the reporting year and whether the emissions were flared. Information on completions and workovers performed in a given year and the age and production rates for wells can be derived from or is available publicly on state oil and gas commission Web sites and from the Energy Information Administration (EIA). Whether the emissions from well completions and workovers are sent to a flare provides only information about how the emissions are handled by the facility, which is not considered to be sensitive information by the industry. Because disclosure of these data elements would not be likely to cause substantial competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(h)(1)(ii) | For each sub-basin with gas well completions without hydraulic fracturing and without flaring, the number of completions that vented gas to the atmosphere. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and provide information on the number of completions where gas is vented to the atmosphere and the number of completions where the gas is vented to a flare. The number of completions that vent gas directly to the atmosphere and the number of completions that send the gas to a flare provides only information about the number of well completions that were performed in a sub-basin during a reporting year and how the emissions are handled by the facility. The number of completions performed each year is available publicly on state oil and gas commission Web sites and from the EIA. Thus, disclosure of these data elements would not be likely to cause substantial competitive harm and we propose these data elements be designated as ''not CBI.'' |
| 98.236(h)(2)(ii) | For each sub-basin with gas well completions without hydraulic fracturing with flaring, the number of well completions that flared gas. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(h)(1)(iv) | Average daily gas production rate for all completions without hydraulic fracturing in the sub-basin without flaring, in standard cubic feet per hour (average of all ''Vp'' as used in Equation W–13B). | This proposed data element would be reported by onshore petroleum and natural gas production facilities. This data element potentially provides information about the productivity of wells where hydraulic fracturing is not conducted and the emissions are not flared. Because production data for individual production wells are publicly available, the average daily production for all wells in a basin presents no information that is not already publicly available. Because disclosure of this data element would not be likely to cause substantial competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(h)(2)(iii) | Total number of hours that gas vented to a flare during backflow for all completions in the sub-basin category (sum of all ''Tp'' for completions that vented to a flare as used in Equation W–13B). | This proposed data element would be reported by onshore petroleum and natural gas production facilities and potentially provides information on the time spent on well completions. Information specific to exploratory wells is generally considered proprietary information by the industry. However, by reporting this data as the total for all completed wells in a sub-basin category, data for individual wells would not be disclosed because of the large number of wells per sub-basin category. Because disclosure of this data element would not be likely to cause substantial competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(h)(2)(iv) | Average daily gas production rate for all completions without hydraulic fracturing in the sub-basin with flaring, in standard cubic feet per hour (the average of all ''Vp'' from Equation W–13B). | This proposed data element would be reported by onshore petroleum and natural gas production facilities. This data element potentially provides information about the productivity of wells where hydraulic fracturing is not conducted and the emissions are flared. Because production data for individual production wells are publicly available, the average daily production for all wells in a basin presents no information that is not already publicly available. Because disclosure of this data element would not be likely to cause substantial competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(i)(1)(i) | Total number of blowdowns in the calendar year for the equipment type (sum equation variable ''N'' from Equation W–14A or Equation W–14B of this subpart for all unique physical volumes for the equipment type). | This proposed data element would be reported by the onshore petroleum and natural gas production, onshore natural gas processing, onshore natural gas transmission compression, and LNG import and export facilities. Blowdowns occur when equipment is taken out of service, either to be placed on standby or for maintenance purposes, and the natural gas in the equipment is typically released to the atmosphere. This practice may occur as part of a routine scheduled maintenance or as the result of an un-planned event (e.g., equipment breakdown). Although blowdown events may be associated with periods of reduced production or throughput, natural gas processing plants and LNG import/export facilities typically have backup units that can be used to avoid production shutdowns. Hence, the number of blowdown events that occur during a reporting year does not indicate a plant was shut down and would not provide any potentially sensitive information on the impact of such events on a facility's production or throughput. Hence, the disclosure of the number of blowdowns occurring during a reporting year is not likely to cause substantial competitive harm. For this reason, we propose that this data element be designated ''not CBI'' when reported by onshore natural gas processing plants and LNG import/export facilities. |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| | | These proposed data elements would also be reported by the natural gas transmission compression sector. Companies operating in this sector are subject to regulatory oversight by the Federal Energy Regulatory Commission (FERC), state utility commissions, and other federal agencies because they operate in an industry that is inherently uncompetitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. The rate charged for transporting gas is regulated. Hence the tightly regulated natural gas transmission sector is inherently less competitive than other industries. Because disclosure of the number of blowdowns occurring during a reporting year would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI'' when reported by the natural gas transmission sector. |
| 98.236(j) | You must indicate whether your facility sends produced oil to atmospheric tanks. | This proposed data element would be reported by onshore petroleum and natural gas production facilities and indicates only that a facility is equipped with atmospheric storage tanks. Atmospheric storage tanks are used to store hydrocarbon liquids from separators or production wells. Atmospheric tanks are a typical part of onshore production facilities and are listed in each facility's construction and operating permits, which have to be reissued when modifications are made to the facility. Hence, disclosure of this data element would not be likely to cause substantial competitive harm and we propose that this data element be designated as ''not CBI.'' |
| 98.236(j) | If any of the atmospheric tanks are observed to have malfunctioning dump valves, indicate that dump valves were malfunctioning. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and provide information on malfunctioning of dump valves on gas-liquid separators. Separators are used to separate hydrocarbons into liquid and gas phases and are typically connected to atmospheric storage tanks where the hydrocarbon liquids are stored. Dump valves on separators periodically release liquids from the separator. The time period during which a dump valve is malfunctioning provides little insight into maintenance practices or the nature or cost of repairs that are needed. Therefore, this information would not be likely to cause substantial competitive harm to reporters. For this reason, we are proposing these data elements be designated as ''not CBI.'' |
| 98.236(j)(3)(ii) | If any of the gas-liquid separator liquid dump valves did not close properly during the reporting year, the total time, in hours, the dump valves on gas-liquid separators did not close properly (''Tn'' in equation W–16). | |
| 98.236(k)(1)(iii) | For each transmission storage tank vent stack, indicate whether scrubber dump valve leakage is occurring for the underground storage vent. | These proposed data elements would be reported by the onshore natural gas transmission compression sector. Companies operating in this sector are subject to regulatory oversight by FERC, state utility commissions, and other federal agencies because they operate in an industry that is inherently uncompetitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. The rate charged for transporting gas is regulated. Hence the natural gas transmission sector is inherently less competitive than other industries and there is little incentive to build additional pipelines and compressor stations within the same corridors as existing transmission lines. Because disclosure of these data elements would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(k)(1)(iv) | For each transmission storage tank vent stack, indicate if there is a flare attached to the vent stack. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(l)(1)(iv) | If oil well testing is performed where emissions are not vented to a flare, the average flow rate in barrels of oil per day for well(s) tested. | This proposed data element would be reported by onshore petroleum and natural gas production facilities. These data elements provide information on the oil flow and gas production rates of wells. Oil and gas production data for individual wells are publicly available. Because production data for individual production wells are publicly available, the average of all wells tested presents no information that is not already publicly available. Because disclosure of these data elements would not be likely to cause substantial competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(l)(2)(iv) | If oil well testing is performed where emissions are vented to a flare, the average flow rate in barrels of oil per day for well(s) tested. | |
| 98.236(l)(3)(iii) | If gas well testing is performed where emissions are not vented to a flare, the average annual production rate in actual cubic feet per day for well(s) tested. | |
| 98.236(l)(4)(iii) | If gas well testing is performed where emissions are vented to a flare, the average annual production rate in actual cubic feet per day for well(s) tested. | |
| 98.236(m) | You must indicate whether any associated gas was vented or flared during the reporting year. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and indicate whether associated gas is flared or vented directly to the atmosphere. Information on how emissions are handled does not provide any insight into the operation of the emission source. Therefore, disclosure of these data elements would be unlikely to cause competitive harm. For this reason, we are proposing these data elements be designated as ''not CBI.'' |
| 98.236(m)(2) | For each sub-basin, indicate whether any associated gas was vented without flaring. | |
| 98.236(m)(3) | For each sub-basin, indicate whether any associated gas was flared. | |
| 98.236(m)(5) | For each sub-basin, the volume of oil produced during time periods in which associated gas was vented or flared (barrels). | These proposed data elements would be reported by onshore petroleum and natural gas production facilities and provide production related information during periods when associated gas is vented or flared. Associated gas is vented or flared when it is not being captured for sales. Oil and gas production data for individual production wells are publicly available, By reporting this data as total for all production wells in a sub-basin category, no data for individual wells is disclosed that is not already publicly available. Because disclosure of these data elements would not be likely to cause substantial competitive harm, we propose they be designated as ''not CBI.'' |
| 98.236(m)(6) | For each sub-basin, the total volume of associated gas sent to sales during time periods in which associated gas was vented or flared (scf). | |
| 98.236(o)(1)(xvi) | Date of last maintenance shutdown that the compressor was depressurized. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities, onshore natural gas processing plants, LNG import/export terminals, natural gas transmission compression, underground natural gas storage facilities, and LNG storage facilities. These data elements provide information about the operation and maintenance of centrifugal compressors. Centrifugal compressors are used to move gas at high pressure through pipelines and are standard equipment found at all types of natural gas facilities. Facilities typically have backup compressors to allow operations to continue without interruption during periods of maintenance and repair. Hence, the percentage of time a compressor was operational and the date of last maintenance shutdown would be not likely to cause substantial competitive harm to any type of natural gas facility. For these reasons, we propose these data elements be designated as ''not CBI.'' |
| 98.236(o)(2)(viii) | If the emission vent is routed to flare, combustion, or vapor recovery, report the percentage of time that the respective device was operational. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(p)(1)(xvi) | Date of last maintenance shutdown for rod packing replacement. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities, onshore natural gas processing plants, LNG import/export terminals, natural gas transmission compression, underground natural gas storage facilities, and LNG storage facilities. These data elements provide information about the operation and maintenance of reciprocating compressors. Reciprocating compressors are used to move gas at high pressure through pipelines and are standard equipment found at all types of natural gas facilities. Facilities typically have backup compressors to allow operations to continue without interruption during periods of compressor maintenance and repair. Hence, the percentage of time a compressor is operational and date of last maintenance shutdown would be not likely to cause substantial competitive harm to any type of natural gas facility. For these reasons, we propose these data elements be designated as ''not CBI.'' |
| 98.236(p)(2)(viii) | If the emission vent is routed to flare, combustion, or vapor recovery, report the percentage of time that the respective device was operational. | |
| 98.236(q)(2)(iii) | Average time the surveyed components were found leaking and operational, in hours (average of $T_{p,z}$ in Equation W–30 of this subpart). | This proposed data element would provide information on the amount of time operational components were found to be leaking. This information would provide little insight into maintenance practices at a facility because it would not identify the cause of the leaks or the nature and cost of repairs. Therefore, this information would not be likely to cause substantial competitive harm to reporters. For this reason, we are proposing the average time operational components were found leaking be designated as ''not CBI.'' |
| 98.236(q)(3)(ii) | Number of meter/regulator runs at above grade transmission-distribution transfer stations surveyed in the calendar year. | These proposed data elements would be reported by natural gas distribution facilities. Natural gas distribution companies are subject to regulatory oversight by state utility commissions because they operate in an industry that is inherently not competitive. The state utility commission controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. Because disclosure of these data elements would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI'' when reported by natural gas distributors. |
| 98.236(q)(3)(iii) | Average time that meter/regulator runs surveyed in the calendar year were operational, in hours (average of $T_{w,y}$ in Equation W–31 of this subpart, for the current calendar year). | |
| 98.236(q)(3)(v) | Number of meter/regulator runs at above grade transmission-distribution transfer stations surveyed in current leak survey cycle. | |
| 98.236(q)(3)(vi) | Average time that meter/regulator runs surveyed in the current leak survey cycle were operational, in hours. | |
| 98.236(w) | Whether $CO_2$ enhanced oil recovery (EOR) injection was used at the facility. | This proposed data element would be reported by onshore petroleum and natural gas production facilities. This data element indicates whether EOR is performed. However, underground injection of $CO_2$ is regulated under 40 CFR parts 124, 144 and 146. Facilities that inject $CO_2$ underground are required to have an Underground Injection Control (UIC) permit, which is a public document issued by the EPA or by states that have primary enforcement authority for permitting injection wells. Since this information is already available through other public documents, we propose this data be designated as ''not CBI.'' |
| 98.236(w) | You must indicate whether any EOR injection pump blowdowns occurred during the year. | This proposed data element would be reported by the onshore petroleum and natural gas production facilities using EOR. Blowdowns are a typical operation undertaken by EOR operators and occur when equipment is taken out of service either to be placed on standby or for maintenance purposes. This practice may occur as part of a routine scheduled maintenance or be the result of an un-planned event (e.g., equipment breakdown). Although blowdown events may be associated with periods of reduced production, facilities typically have backup pumps that can be used to avoid production shutdowns. Hence, the disclosure of the number of blowdowns occurring during a reporting year is not likely to cause substantial competitive harm. For this reason, we propose that this data element be designated ''not CBI.'' |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(x) | Whether hydrocarbon liquids were produced through EOR operations. | This proposed data element would be reported by onshore petroleum and natural gas production facilities using EOR and provides production related information about EOR operations. However, production data for wells is available to the public through state oil and gas commissions. Since this information is already available through other public documents, we propose this data be designated as ''not CBI.'' |
| 98.236(z)(2)(i) | The type of combustion unit | This data element would be reported by onshore petroleum and gas production facilities and natural gas distribution. This data element would provide information on the types of combustion units. Information on the types of combustion units located at a facility is often available in a facility's construction and operating permits. For these reasons, we consider information on the types of combustion units in production and distribution facilities would not be likely to cause substantive competitive harm and propose this data element be designated as ''not CBI'' for both industry sectors. |
| 98.236(z)(2)(ii) | Type of fuel combusted | This data element would be reported by onshore petroleum and gas production facilities and natural gas distribution. This data element would provide information on the types of fuel burned. However, facilities in both these sectors generally burn fuels that are readily available to them as part of their operations. Information on the types of fuels burned by a facility is often available in a facility's construction and operating permits. For these reasons, we consider information on the types of fuels burned by production and distribution facilities would not be likely to cause substantive competitive harm and propose this data element be designated as ''not CBI'' for both industry sectors. |
| 98.236(aa)(1)(ii)(I) | For each sub-basin category, the average mole fraction $CH_4$ in produced gas. | This proposed data element would be reported by onshore petroleum and natural gas production facilities. The typical composition of produced gas is available through the Gas Technology Institute and the Department of Energy, Gas Information System (GASIS) Database.[5] Both of these sources are made available to the public. Since these data are publicly available we are proposing these data elements be designated as ''not CBI.'' |
| 98.236(aa)(1)(ii)(J) | For each sub-basin category, the average mole fraction $CO_2$ in produced gas. | |
| 98.236(aa)(4)(i) | The quantity of gas transported through the compressor station in the calendar year, in thousand standard cubic feet. | These proposed data elements would be reported by the onshore natural gas transmission compression sector. Companies operating in this sector are subject to regulatory oversight by FERC, state utility commissions, and other federal agencies because they operate in an industry that is inherently uncompetitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. The rate charged for transporting gas is regulated. Hence the natural gas transmission sector is inherently less competitive than other industries and there is little incentive to build additional pipelines and compressor stations within the same corridors as existing transmission lines. Because disclosure of pipeline pressures and the quantity of gas transported through the compressor would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(4)(iv) | The average upstream pipeline pressure in pounds per square inch gauge. | |
| 98.236(aa)(4)(v) | The average downstream pipeline pressure in pounds per square inch gauge. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(aa)(5)(i) | The quantity of gas injected into storage in the calendar year, in thousand standard cubic feet. | These proposed data elements would be reported by underground natural gas storage facilities. Underground storage facilities are closely associated with and are part of the utilities' integrated distribution systems. Some are owned by natural gas distribution companies. Distribution companies are regulated by state commissions, because they operate in an industry that is inherently not competitive. Underground storage facilities are constrained by geographical and geological requirements. These facilities must be located in areas where appropriate geologic conditions exist for gas storage, while also located near regions of the country where gas usage fluctuates during the year. Typically, gas is injected into underground storage during the summer months, when consumer demand is low, and withdrawn during the winter months, when demand peaks. These factors provide significant barriers to new companies moving into the underground storage sector or existing companies increasing their market share. Because disclosure of these proposed new data elements would not be likely to cause substantive competitive harm to underground storage facilities, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(5)(ii) | The quantity of gas withdrawn from storage in the calendar year, in thousand standard cubic feet. | |
| 98.236(aa)(6) | For LNG import equipment, the quantity of LNG imported in the calendar year, in thousand standard cubic feet. | Quantities of LNG imported to the U.S. together with the name of the importer are published by EIA in quarterly reports. Because disclosure of this proposed new data element would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(aa)(7) | For LNG export equipment, the quantity of LNG exported in the calendar year, in thousand standard cubic feet. | Quantities of natural gas exported from the U.S. are published by EIA in quarterly reports. Because disclosure of this proposed new data element would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(aa)(8)(i) | The quantity of LNG added into storage in the calendar year, in thousand standard cubic feet. | These proposed data elements would be reported by LNG storage facilities. Most LNG storage facilities are owned by distributors whose operations are regulated by FERC and state commissions, because they operate in an industry that is inherently not competitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. Because disclosure of these proposed new data elements would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(8)(ii) | The quantity of LNG withdrawn from storage in the calendar year, in thousand standard cubic feet. | |
| 98.236(aa)(9)(i) | The quantity of natural gas received at all custody transfer stations in the calendar year in thousand standard cubic feet. | Natural gas distribution companies are subject to regulatory oversight by state utility commissions, because they operate in an industry that is inherently not competitive. Many of these data elements are also reported to EIA on a monthly basis (e.g., natural gas withdrawn from storage, natural gas stored, gas received at city gate). EIA publishes the data on their Web site on an annual basis. Because disclosure of these proposed new data elements would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(9)(ii) | The quantity of natural gas withdrawn from in-system storage in the calendar year in thousand cubic feet. | |
| 98.236(aa)(9)(iii) | The quantity of natural gas added to in-system storage in the calendar year in thousand cubic feet. | |
| 98.236(aa)(9)(iv) | The quantity of natural gas delivered to end users in thousand cubic feet. This value does not include stolen gas, or gas that is otherwise unaccounted for | |
| 98.236(aa)(9)(v) | The quantity of natural gas transferred to third parties such as other LDCs or pipelines in thousand cubic feet. This value does not include stolen gas, or gas that is otherwise unaccounted for. | |
| 98.236(aa)(9)(vi) | The quantity of natural gas consumed by the LDC for operational purposes in thousand cubic feet. | |
| 98.236(aa)(9)(vii) | The estimated quantity of gas stolen in the calendar year in thousand cubic feet. | |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| **''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' Data Category** | | |
| 98.236(o)(1)(iv) operating mode (v) not operating mode. | For non-manifolded compressors, whether the compressor was measured in the operating-mode or the not-operating-depressurized–mode. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities, onshore natural gas processing plants, LNG import/export terminals, natural gas transmission compression, underground natural gas storage facilities, and LNG storage facilities. These data elements indicate whether a facility has centrifugal compressors, how emissions from each unit are handled, and specific information about the design and age of each centrifugal compressor. Centrifugal compressors are used to move gas at high pressure through pipelines and are standard equipment found at all types of natural gas facilities. Centrifugal compressors are also listed in each facility's construction and operating permits, which must be updated and reissued when modifications are made. Hence, the fact that a facility has a centrifugal compressor, its age and design, and emissions handling reveals no sensitive information that would be likely to cause substantial competitive harm to any type of natural gas facility. For these reasons, we propose these data elements be designated as ''not CBI.'' |
| 98.236(o)(1)(vii) | Indicate whether any compressor sources are routed to a flare. | |
| 98.236(o)(1)(viii) | Indicate whether any compressor sources have vapor recovery. | |
| 98.236(o)(1)(ix) | Indicate whether emissions from any compressor sources are captured for fuel use or are routed to a thermal oxidizer. | |
| 98.236(o)(1)(x) | Indicate whether the compressor has blind flanges installed. | |
| 98.236(o)(1)(xi) | Indicate whether the compressor has wet or dry seals. | |
| 98.236(o)(1)(xiii) | Compressor power rating (hp). | |
| 98.236(o)(1)(xiv) | Year compressor was installed. | |
| 98.236(o)(1)(xv) | Compressor model name and description. | |
| 98.236(p)(1)(viii) | Indicate whether any compressor sources are part of a manifolded group of compressor sources. | These proposed data elements would be reported by onshore petroleum and natural gas production facilities, onshore natural gas processing plants, LNG import/export terminals, natural gas transmission compression, underground natural gas storage facilities, and LNG storage facilities. These data elements indicate whether a facility has reciprocating compressors, how emissions from each unit are handled, and specific information about the design and age of each reciprocating compressor. Reciprocating compressors are used to move gas at high pressure through pipelines and are standard equipment found at all types of natural gas facilities. Reciprocating compressors are also listed in each facility's construction and operating permit, which must be updated and reissued when modifications are made. Because disclosure of these data elements would be not likely to cause substantial competitive harm to any type of natural gas facility, we propose these data elements be designated as ''not CBI.'' |
| 98.236(p)(1)(ix) | Indicate whether any compressor sources are routed to a flare. | |
| 98.236(p)(1)(x) | Indicate whether any compressor sources have vapor recovery. | |
| 98.236(p)(1)(xi) | Indicate whether emissions from any compressor sources are captured for fuel use or are routed to a thermal oxidizer. | |
| 98.236(p)(1)(xii) | Indicate whether the compressor has blind flanges installed. | |
| 98.236(p)(1)(xiii) | Compressor power rating (hp). | |
| 98.236(p)(1)(xiv) | Year compressor was installed. | |
| 98.236(p)(1)(xv) | Compressor model name and description. | |
| 98.236(z)(1)(ii) | The total number of combustion units | This data element would be reported by onshore petroleum and gas production facilities and natural gas distribution.<br>This data element provides information on the number of internal and external combustion units located at onshore petroleum and natural gas production facilities. However, this information would not be likely to cause substantial competitive harm if released to the public, since internal and external combustion units are typical parts of an onshore petroleum and natural gas production facility and the total number of such units is not considered to be competitively sensitive information by this industry sector. Because disclosure of the number of combustion units would not be likely to cause substantive competitive harm to this sector, we propose this data element be designated as ''not CBI'' when reported by onshore petroleum and natural gas production facilities.<br>Natural gas distribution companies are subject to regulatory oversight by state utility commissions, because they operate in an industry that is inherently not competitive. Because disclosure of the number combustion units would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI'' when reported by natural gas distributors. |

TABLE 2—PROPOSED NEW DATA ELEMENTS ASSIGNED TO THE ''UNIT/PROCESS 'OPERATING' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' AND ''UNIT/PROCESS 'STATIC' CHARACTERISTICS THAT ARE NOT INPUTS TO EMISSION EQUATIONS'' DATA CATEGORIES—Continued

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| 98.236(aa)(1)(ii)(C) | For each sub-basin category, the formation type. | The formation type refers to the following types of formations: Oil, high permeability gas, shale gas, coal seam, or other tight gas reservoir rock. The location of these formations is general information that is publicly available from EIA. Because disclosure of the formation would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(aa)(1)(ii)(D) | For each sub-basin category, the number of producing wells at the end of the calendar year. | We are proposing that each of these proposed new data elements be assigned to the Unit/Process Static Characteristics That Are Not Inputs to Emission Equations'' because each data element provides descriptive information about units at the facility and does not meet the definition of emission data. We propose that each new data element be designated as ''not CBI'' because detailed information regarding wells is available from state databases and permits. Because disclosure of the formation would not be likely to cause substantive competitive harm, we propose this data element be designated as ''not CBI.'' |
| 98.236(aa)(1)(ii)(E) | For each sub-basin category, the number of producing wells acquired during the calendar year. | |
| 98.236(aa)(1)(ii)(F) | For each sub-basin category, the number of producing wells divested during the calendar year. | |
| 98.236(aa)(1)(ii)(G) | For each sub-basin category, the number of wells completed during the calendar year. | |
| 98.236(aa)(1)(ii)(H) | For each sub-basin category, the number of wells taken out of production during the calendar year. | |
| 98.236(aa)(3)(vii) | Whether the onshore natural gas processing facility fractionates natural gas liquids (NGLs). | Whether a natural gas processing facility fractionates NGLs is information that is readily available from other public sources, such as the LPG Almanac (updated annually) and other trade journals. For this reason, disclosure of this information would not be likely to cause substantial competitive harm and we propose that this data element be designated as ''not CBI.'' |
| 98.236(aa)(4)(ii) | Number of compressors | These data elements would be reported by the onshore natural gas transmission compression sector. Companies operating in this sector are subject to regulatory oversight by FERC, state utility commissions, and other federal agencies because they operate in an industry that is inherently uncompetitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. Because disclosure of the number and power rating for compressors would not be likely to cause substantive competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(4)(iii) | The total compressor power rating for all compressors combined, in horsepower. | |
| 98.236(aa)(5)(iii) | The total storage capacity for underground natural gas storage facilities. | Companies operating underground gas storage facilities are required to report their storage capacity to the EIA by company on a monthly basis. EIA publishes the data on their Web site on an annual basis. Because disclosure of underground storage capacity would not be likely to cause substantial competitive harm, we propose these data elements be designated as ''not CBI.'' |
| 98.236(aa)(8)(iii) | The total LNG storage capacity in the calendar year, in thousand standard cubic feet. | Most LNG storage facilities are regulated by FERC and state commissions, because they operate in an industry that is inherently not competitive. FERC controls pricing, sets rules for business practices, has the power to impose conditions on mergers and acquisitions, and has the sole responsibility for authorizing the location, construction and operations of companies operating in this sector. Because disclosure of LNG storage capacity would not be likely to cause substantial competitive harm, we propose these data elements be designated as ''not CBI.'' |

*D. Other Proposed or Re-Proposed Case-by-Case Confidentiality Determinations for Subpart W*

The proposed revision includes 11 new or substantially revised data elements relative to production and/or throughput data from subpart W facilities from the onshore petroleum and natural gas production, offshore petroleum and natural gas production, and onshore natural gas processing industry sectors. Although these data elements are similar in certain types or characteristics to the data elements in ''Production/Throughput Data that are Not Inputs to Emissions Equations'' or ''Raw Materials Consumed that are Not Inputs to Emissions Equations'' data categories, for the reasons provided above in Section III.B of this preamble, we are not proposing to assign these

data elements to a data category. Instead, we are proceeding to make individual confidentiality determinations for these data elements. As further explained in Section III.B of this preamble, we are also proposing to remove one existing data element, 40 CFR 98.236(j)(2)(i)(A), from ''Production/Throughput Data Not Used as Input,'' thereby removing the application of the categorical confidentiality determination for this data category to this data element. We are re-proposing the confidentiality determination for this data element. Table 3 of this preamble lists the 11 new or substantially revised data elements and one existing data element and provides the rationale and proposed confidentiality determination for each data element.

As described above in Section III.B of this preamble, our proposed determinations for these data elements were based on a two-step process in which we first evaluated whether the data element met the definition of emission data. This first step in the evaluation is important because emission data are not eligible for confidential treatment pursuant to section 114(c) of the CAA, which precludes emissions data from being considered confidential and requires that such data be made available to the public. The term ''emission data'' is defined in 40 CFR 2.301(a).

We propose to determine that none of these 12 data elements are emission data under 40 CFR 2.301(a)(2)(i), because they do not provide any information characterizing actual GHG emissions or descriptive information about the location or nature of the emissions source. However, we note that this determination is made strictly in the context of the GHGRP and may not apply to other regulatory programs.

In the second step, we evaluate whether the data element is entitled to confidentiality treatment, based on the criteria for confidential treatment specified in 40 CFR 2.208. In particular, the EPA focused on the following two factors: (1) Whether the data was already publicly available; and (2) whether '' . . . disclosure of the information is likely to cause significant harm to the business' competitive position.'' *See* 40 CFR 2.208(e)(1). For each of these 12 data elements, we determined whether the information is already available in the public domain.

For those data elements for which no published data could be found, we evaluated whether the publication would be likely to cause competitive harm. Many of the new data elements proposed to be reported by the onshore oil and gas production sector would be reported at an aggregated-level (i.e., sub-basin level) that would mask any underlying information for individual production wells. These data elements involve reporting aggregated data covering all individual wells, exploratory wells, and production equipment in a sub-basin, rather than information specific to an individual well or other production unit. Reporting at a sub-basin level is at a large enough scale that disclosure of the collected data would not reveal any proprietary information, such as the sensitive operational information or the cost to do business. Because the proposed new data elements would also be collected at a sub-basin level, they would not disclose production data for individual wells, reveal information about individual exploratory wells, or provide insight into production costs. Therefore, we propose that the new production data proposed to be reported by the onshore oil and gas production sector be designated as non-CBI because its disclosure would not be likely to cause competitive harm.

For offshore oil and gas production, the EPA is proposing that the quantity of gas produced for sales, quantity of oil produced for sales, and quantity of condensate produced for sales be reported. These data elements do not provide any competitively sensitive information on the costs of doing business. We note that similar data on throughputs for individual platforms are published annually by the Bureau of Ocean Energy Management. Therefore, we propose that these new production data proposed to be reported by offshore oil and gas platforms be designated as non-CBI because its disclosure would not be likely to cause competitive harm.

For natural gas processing, the EPA is proposing that the total quantity of NGLs (bulk and fractionated) received at and leaving the processing plant be reported on an annual basis. Because the reported value would be the annual sum of bulk and fractionated NGLs received and the annual sum of bulk and fractionated NGLs leaving the plant, the data collected would provide very limited information on facility operations and would not disclose any detailed information about the facility's day-to-day operations, such as the amount, contents, and price of each shipment of bulk material received, the amount, contents, and price of each shipment of NGL product received, the amount of bulk materials fractionated and costs of fractionation, or the type and amounts of each individual NGL product produced. Because these data are to be reported at an aggregated level, these proposed two new data elements would not provide insight on operating costs, or other highly sensitive aspects of operation the disclosure of which would be likely to cause competitive harm. Therefore, we propose that the total quantity of NGLs (bulk and fractionated) received at and leaving the natural gas processing plant be designated as not CBI. In addition, many facilities in this sector already voluntarily report these data to the Worldwide Gas Processing survey and the data at the plant level are published annually in the Oil and Gas Journal. Similar data are also mandatorily reported monthly to the EIA. Although the EIA aggregates the data before publishing data, the EIA also acknowledges that some statistics may be based on data from fewer than three respondents, or that are dominated by data from one or two large respondents, and in these cases, it may be possible for a the information reported by a specific respondent to be accurately estimated.

TABLE 3—PROPOSED INDIVIDUAL CONFIDENTIALITY DETERMINATION FOR 13 NEW OR SUBSTANTIALLY REVISED DATA ELEMENTS AND RE-PROPOSAL FOR ONE EXISTING DATA ELEMENTS

| Citation | Data element | Proposed confidentiality determination and rationale |
|---|---|---|
| **Onshore petroleum and natural gas production** | | |
| 98.236(aa)(1)(i)(A) | The quantity of gas produced in the calendar year from wells, in thousand standard cubic feet. This includes gas that is routed to a pipeline, vented or flared, or used in field operations. This does not include gas injected back into reservoirs or shrinkage resulting from lease condensate production. | We propose that each of these data elements be designated as ''not CBI.'' The onshore petroleum production sector is a regionally concentrated sector, with wells located in fixed geological formations and a large number of operators within each formation. Information that is typically considered sensitive to this industry includes data related to production costs for developed fields and information on individual exploratory wells. Information on exploratory wells is sensitive during the time period when a new formation is being developed because lease prices are not stabilized until wells have proven production records. Once the formation has been developed and several wells have been drilled in a basin, production decisions are based on market prices and the ability to control flow from the well. The production data that will be reported at the basin or sub-basin level are already publicly available through the Department of Energy. Reporting at the basin or sub-basin level includes data aggregated to a scale large enough that it does not disclose production data for individual wells, reveal sensitive information about individual exploratory wells, or provide insight into production costs. |
| 98.236(aa)(1)(i)(B) | The quantity of gas produced in the calendar year for sales in thousand standard cubic feet. | |
| 98.236(aa)(1)(i)(C) | For each basin, the quantity of crude oil produced in the calendar year for sales, not including lease condensates, in barrels. | |
| 98.236(aa)(1)(i)(D) | For each basin, the quantity of lease condensate produced in the calendar year for sales (in barrels). | |
| 98.236(j)(2)(i)(A) | The total annual oil throughput that is sent to all atmospheric tanks in the basin, in barrels. | |
| **Offshore petroleum and natural gas production** | | |
| 98.236(aa)(2)(i) | The quantity of gas produced for sales from the offshore platform in the calendar year for sales, in thousand standard cubic feet. | We propose that each of these new data elements be designated as ''not CBI'' because the production throughput data are published annually on the Bureau of Ocean Energy Management's Web site. |
| 98.236(aa)(2)(ii) | The quantity of oil produced for sales from the offshore platform in the calendar year for sales (in barrels). | |
| 98.236(aa)(2)(iii) | The quantity of condensate produced for sales from the offshore platform in the calendar year for sales (in barrels). | |
| **Onshore natural gas processing** | | |
| 98.236(aa)(3)(i) | The quantity of produced gas received at the gas processing plant in thousand standard cubic feet. | We propose that each of these new data elements be designated as ''not CBI'' because the average annual flow and plant utilization rates are published quarterly on EIA's Web site and are already in the public domain. |
| 98.236(aa)(3)(ii) | The quantity of processed (residue) gas leaving the gas processing plant in thousand standard cubic feet. | |
| 98.236(aa)(3)(iii) | The quantity of NGLs (bulk and fractionated) received at the gas processing plant in the calendar year, in barrels. | We propose that each of these new data elements be designated as ''not CBI'' because they are already publicly available. Many facilities in this sector already voluntarily report these data to the Worldwide Gas Processing survey and the data at the plant level are published annually in the Oil and Gas Journal. Similar data are also mandatorily reported monthly to the EIA. Although the EIA aggregates the data before publishing data, the EIA also acknowledges that, ''Disclosure limitation procedures are not applied to the statistical data published from this survey's information. Thus, there may be some statistics that are based on data from fewer than three respondents, or that are dominated by data from one or two large respondents. In these cases, it may be possible for a knowledgeable person to estimate the information reported by a specific respondent.'' [6] |
| 98.236(aa)(3)(iv) | The quantity of NGLs (bulk and fractionated) leaving the gas processing plant in the calendar year, in barrels. | |

The list of data elements, their data category assignments, and proposed confidentiality determinations can be found in the memorandum titled ''Data Category Assignments and Confidentiality Determinations for all Data Elements (excluding inputs to emission equations) in the Proposed 'Technical Revisions and Confidentiality Determinations for Petroleum and Natural Gas Systems''' in Docket ID No. EPA–HQ–OAR–2011–0512.

*E. Request for Comments on Proposed Confidentiality Determinations*

For the CBI component of this rulemaking, we are specifically soliciting comment on the following issues. First, we specifically seek comment on the proposed data category

assignments, and application of the established categorical confidentiality determinations to data elements assigned to categories with such determinations. If a commenter believes that the EPA has improperly assigned certain new or substantially revised data elements to any of the data categories established in the 2011 Final CBI Rule, please provide specific comments identifying which of these data elements may be mis-assigned along with a detailed explanation of why you believe them to be incorrectly assigned and in which data category you believe they belong. In addition, if you believe that a data element should be assigned to one of the two direct emitter data categories that do not have a categorical confidentiality determination, please also provide specific comment along with detailed rationale and supporting information on whether such data element does or does not qualify as CBI.

We also seek comment on the proposed individual confidentiality determinations for the following data elements: 72 new or substantially revised data elements assigned to the ''Unit/Process 'Operating' Characteristics That Are Not Inputs to Emission Equations'' data category; 29 new or substantially revised data elements assigned to the ''Unit/Process 'Static' Characteristics That Are Not Inputs to Emission Equations'' category; 11 new data elements for which no data category assignment was proposed; and one existing data element for which we are proposing to remove the data category assignment and make a new confidentiality determination.

By proposing confidentiality determinations prior to data reporting through this proposal and rulemaking process, we provide reporters an opportunity to submit comments, in particular comments identifying data they consider sensitive and their rationales and supporting documentation; this opportunity is the same opportunity that is afforded to submitters of information in case-by-case confidentiality determinations made in response to individual claims for confidential treatment not made through rulemaking. It provides an opportunity to rebut the Agency's proposed determinations prior to finalization. We will evaluate the comments on our proposed determinations, including claims of confidentiality and information substantiating such claims, before finalizing the confidentiality determinations. Please note that this will be a reporter's only opportunity to substantiate a confidentiality claim for these proposed new data elements. Upon finalizing the confidentiality determinations of the data elements identified in this rule, the EPA will release or withhold these data in accordance with 40 CFR 2.301, which contains special provisions governing the treatment of Part 98 data for which confidentiality determinations have been made through rulemaking.

When submitting comments regarding the confidentiality determinations we are proposing in this action, please identify each individual data element you do or do not consider to be CBI or emission data in your comments. Please explain specifically how the public release of that particular data element would or would not cause a competitive disadvantage to a facility. Discuss how this data element may be different from or similar to data that are already publicly available. Please submit information identifying any publicly available sources of information containing the specific data elements in question. Data that are already available through other sources would likely be found not to qualify for CBI protection. In your comments, please identify the manner and location in which each specific data element you identify is publicly available, including a citation. If the data are physically published, such as in a book, industry trade publication, or federal agency publication, provide the title, volume number (if applicable), author(s), publisher, publication date, and International Standard Book Number (ISBN) or other identifier. For data published on a Web site, provide the address of the Web site and the date you last visited the Web site and identify the Web site publisher and content author.

If your concern is that competitors could use a particular data element to discern sensitive information, specifically describe the pathway by which this could occur and explain how the discerned information would negatively affect your competitive position. Describe any unique process or aspect of your facility that would be revealed if the particular data element you consider sensitive were made publicly available. If the data element you identify would cause harm only when used in combination with other publicly available data, then describe the other data, identify the public source(s) of these data, and explain how the combination of data could be used to cause competitive harm. Describe the measures currently taken to keep the data confidential. Avoid conclusory and unsubstantiated statements, or general assertions regarding potential harm. Please be as specific as possible in your comments and include all information necessary for the EPA to evaluate your comments.

## IV. Impacts of the Proposed Amendments to Subpart W

The proposed amendments to subpart W are based on identified improvements in the regulatory language and revisions to calculation methods that do not significantly increase the burden of data collection and reporting, improve the accuracy of the data reported, and provide clarity. The proposed amendments do not impart significant additional burden to reporters and many reduce burden to reporters and regulators in some cases.

As discussed in Section II of this preamble, the EPA is proposing to revise the reporting elements that must be reported. Any elements that were not previously required to be reported identify the equipment to be reported for the industry segment or are inputs to an emission equation. These data elements are typically already collected by reporters. These proposed revisions would remove ambiguity for the reporter and would not increase burden significantly, since the reporting elements are already available.

As discussed in Section II.D of this preamble, the EPA is proposing to remove the best available monitoring method (BAMM) provisions in 40 CFR 98.234(f). Removing these provisions would not add to previous burden estimates for subpart W reporters; previous burden estimates were prepared based on all reporters complying with the monitoring methods in 40 CFR 98.234 without BAMM.

The additional proposed amendments to subpart W are not expected to significantly increase burden. See the memorandum, ''Assessment of Impacts of the 2014 Proposed Revisions to Subpart W'' in Docket Id. No. EPA–HQ–OAR–2011–0512 for additional information.

## V. Statutory and Executive Order Reviews

### *A. Executive Order 12866: Regulatory Planning and Review and Executive Order 13563: Improving Regulation and Regulatory Review*

This action is not a ''significant regulatory action'' under the terms of Executive Order 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under Executive Orders 12866 and 13563 (76 FR 3821, January 21, 2011).

In addition, the EPA prepared an analysis of the potential costs and benefits associated with the proposed amendments to subpart W. This analysis

is contained in ''Assessment of Impacts of the 2014 Proposed Revisions to Subpart W.'' A copy of the analysis is available in the docket for this action (see Docket Id. No. EPA–HQ–OAR–2011–0512) and the analysis is briefly summarized in Section IV of this preamble.

*B. Paperwork Reduction Act*

The information collection requirements in this proposed rule have been submitted for approval to the Office of Management and Budget (OMB) under the Paperwork Reduction Act, 44 U.S.C. 3501 et seq. The Information Collection Request (ICR) document prepared by the EPA has been assigned EPA ICR number 2300.15.

This action proposes to simplify the existing reporting methods in subpart W and clarify monitoring methods and data reporting requirements, and proposes confidentiality determinations for reported data elements. The EPA is proposing to restructure the reporting requirements for clarity and align them with the calculation requirements. OMB has previously approved the information collection requirements for 40 CFR part 98 under the provisions of the *Paperwork Reduction Act,* 44 U.S.C. 3501 *et seq.,* and has assigned OMB control number 2060–0629. The OMB control numbers for the EPA's regulations in 40 CFR are listed in 40 CFR part 9. Burden is defined at 5 CFR 1320.3(b).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for the EPA's regulations in 40 CFR are listed in 40 CFR part 9.

The estimated total projected cost and hour burden associated with reporting for subpart W are $21,964,000 and 244,000 hours, respectively. For the hour burden, the estimated average burden hours per response is 54 hours, the proposed frequency of response is once annually, and the estimated number of likely respondents is 2,885. For the cost burden to respondents or record keepers resulting from the collection of information, the estimated total capital and start-up cost component annualized over its expected useful life is $796,000 per year, the total operation and maintenance component is $1,690,000 per year, and the total labor cost is $19,478,000 per year for all of subpart W.

To comment on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, the EPA has established a public docket for this rule, which includes this ICR, under Docket ID number EPA–HQ–OAR–2011–0512. Submit any comments related to the ICR to the EPA and OMB. See ADDRESSES section at the beginning of this proposed rule for where to submit comments to the EPA. Send comments to OMB at the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street NW., Washington, DC 20503, Attention: Desk Office for the EPA. Since OMB is required to make a decision concerning the ICR between 30 and 60 days after March 10, 2014, a comment to OMB is best assured of having its full effect if OMB receives it by April 9, 2014. The final rule will respond to any OMB or public comments on the information collection requirements contained in this proposal. We continue to be interested in the potential impacts of this proposed action on the burden associated with the proposed amendments and welcome comments on issues related to such impacts.

*C. Regulatory Flexibility Act (RFA)*

The Regulatory Flexibility Act (RFA) generally requires an agency to prepare a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements under the Administrative Procedure Act or any other statute unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small organizations, and small governmental jurisdictions.

For purposes of assessing the impacts of today's proposed rule on small entities, small entity is defined as: (1) A small business as defined by the Small Business Administration's regulations at 13 CFR 121.201; (2) a small governmental jurisdiction that is a government of a city, county, town, school district or special district with a population of less than 50,000; and (3) a small organization that is any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.

This action proposes to (1) amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. After considering the economic impacts of these proposed rule amendments on small entities, I certify that this action would not have a significant economic impact on a substantial number of small entities.

The small entities directly regulated by this proposed rule include small businesses in the petroleum and gas industry, small governmental jurisdictions and small non-profits. The EPA has determined that some small businesses would be affected because their production processes emit GHGs exceeding the reporting threshold.

This action includes proposed amendments that do not result in a significant burden increase on subpart W reporters. In some cases, the EPA is proposing to increase flexibility in the selection of methods used for calculating GHGs, and is also proposing to revise certain methods that may result in greater conformance to current industry practices. In addition, the EPA is proposing to revise specific provisions to provide clarity on what information is being reported. These proposed revisions would not significantly increase the burden on reporters while maintaining the data quality of the information being reported to the EPA.

As part of the process of finalization of the final subpart W rule, the EPA took several steps to evaluate the effect of the rule on small entities. For example, the EPA determined appropriate thresholds that reduced the number of small businesses reporting. In addition, the EPA conducted several meetings with industry associations to discuss regulatory options and the corresponding burden on industry, such as recordkeeping and reporting. Finally, the EPA continues to conduct significant outreach on the GHG reporting rule and maintains an ''open door'' policy for stakeholders to help inform the EPA's understanding of key issues for the industries.

The EPA continues to be interested in the potential impacts of the proposed rule amendments on small entities and welcomes comments on issues related to such impacts.

*D. Unfunded Mandates Reform Act (UMRA)*

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), 2 U.S.C. 1531–1538, requires federal agencies, unless otherwise prohibited by law, to assess the effects of their regulatory actions on state, local, and tribal governments and the private sector. Federal agencies must also develop a plan to provide notice to small governments that might be significantly or uniquely affected by any regulatory requirements. The plan must enable officials of affected small governments to have meaningful and timely input in the development of the EPA regulatory proposals with significant federal

intergovernmental mandates and must inform, educate, and advise small governments on compliance with the regulatory requirements.

This action proposes to (1) amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. This proposed rule does not contain a federal mandate that may result in expenditures of $100 million or more for state, local, and tribal governments, in the aggregate, or the private sector in any one year. Thus, this proposed rule is not subject to the requirements of section 202 and 205 of the UMRA. This rule is also not subject to the requirements of section 203 of UMRA because it contains no regulatory requirements that might significantly or uniquely affect small governments. The proposed amendments would not impose any new requirements that are not currently required for 40 CFR part 98, and the rule amendments would not uniquely apply to small governments. Therefore, this action is not subject to the requirements of section 203 of the UMRA.

*E. Executive Order 13132: Federalism*

This action does not have federalism implications. It 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, as specified in Executive Order 13132. However, for a more detailed discussion about how Part 98 relates to existing state programs, please see Section II of the preamble to the final Part 98 rule (74 FR 56266, October 30, 2009).

This action proposes to (1) amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. Few, if any, state or local government facilities would be affected by the provisions in this proposed rule. This regulation also does not limit the power of States or localities to collect GHG data and/or regulate GHG emissions. Thus, Executive Order 13132 does not apply to this action.

In the spirit of Executive Order 13132, and consistent with the EPA policy to promote communications between the EPA and state and local governments, the EPA specifically solicits comment on this proposed action from state and local officials. For a summary of the EPA's consultation with state and local organizations and representatives in developing Part 98, see Section VIII.E of the preamble to the final rule (74 FR 56371, October 30, 2009).

*F. Executive Order 13175: Consultation and Coordination With Indian Tribal Governments*

Subject to the Executive Order 13175 (65 FR 67249, November 9, 2000) the EPA may not issue a regulation that has tribal implications, that imposes substantial direct compliance costs, and that is not required by statute, unless the federal government provides the funds necessary to pay the direct compliance costs incurred by tribal governments, or the EPA consults with tribal officials early in the process of developing the proposed regulation and develops a tribal summary impact statement.

The EPA has concluded that this action may have tribal implications. This action proposes to (1) Amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. However, it will neither impose substantial direct compliance costs on tribal governments, nor preempt Tribal law. This regulation would apply directly to petroleum and natural gas facilities that emit greenhouses gases. Although few facilities that would be subject to the rule are likely to be owned by tribal governments, the EPA has sought opportunities to provide information to tribal governments and representatives during the development of the proposed and final subpart W that was promulgated on November 30, 2010 (75 FR 74458). The EPA consulted with tribal officials early in the process of developing subpart W to permit them to have meaningful and timely input into its development.

For additional information about the EPA's interactions with tribal governments, see section IV.F of the preamble to the re-proposal of subpart W published on April 12, 2010 (75 FR 18608), and section IV.F of the preamble to the final subpart W published on November 30, 2010 (75 FR 74458).

The EPA specifically solicits additional comment on this proposed action from tribal officials.

*G. Executive Order 13045: Protection of Children From Environmental Health Risks and Safety Risks*

The EPA interprets Executive Order 13045 (62 FR 19885, April 23, 1997) as applying only to those regulatory actions that concern health or safety risks, such that the analysis required under section 5–501 of the Executive Order has the potential to influence the regulation. This action proposes to (1) Amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. This action is not subject to Executive Order 13045 because it does not establish an environmental standard intended to mitigate health or safety risks.

*H. Executive Order 13211: Actions That Significantly Affect Energy Supply, Distribution, or Use*

This action proposes to (1) amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. This action is not subject to Executive Order 13211 (66 FR 28355 (May 22, 2001)), because it is not a significant regulatory action under Executive Order 12866.

*I. National Technology Transfer and Advancement Act*

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA), Public Law 104–113 (15 U.S.C. 272 note) directs the EPA to use voluntary consensus standards in its regulatory activities unless to do so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., materials specifications, test methods, sampling procedures, and business practices) that are developed or adopted by voluntary consensus standards bodies. NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable voluntary consensus standards.

This action proposes to (1) Amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. This proposed rulemaking does not involve the use of any technical standards. No changes are being proposed that affect the test methods currently in use for subpart W. Therefore, the EPA is not considering the use of any voluntary consensus standards.

*J. Executive Order 12898: Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations*

Executive Order 12898 (59 FR 7629, (February 16, 1994)) establishes federal executive policy on environmental justice. Its main provision directs federal agencies, to the greatest extent

practicable and permitted by law, to make environmental justice part of their mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of their programs, policies, and activities on minority populations and low-income populations in the United States.

This action proposes to (1) amend monitoring and calculation methodologies in subpart W; (2) assign subpart W data reporting elements into CBI data categories; and (3) amend a definition in subpart A. The EPA has determined that this proposed rule will not have disproportionately high and adverse human health or environmental effects on minority or low-income populations because it does not affect the level of protection provided to human health or the environment. Instead, this proposed rule addresses information collection and reporting procedures.

**List of Subjects in 40 CFR Part 98**

Environmental protection, Administrative practice and procedure, Greenhouse gases, Incorporation by reference, Reporting and recordkeeping requirements.

Dated: February 20, 2014.

**Gina McCarthy,**

*Administrator.*

For the reasons stated in the preamble, title 40, chapter I, of the Code of Federal Regulations is proposed to be amended as follows:

## PART 98—MANDATORY GREENHOUSE GAS REPORTING

■ 1. The authority citation for part 98 continues to read as follows:

**Authority:** 42 U.S.C. 7401–7671q.

### Subpart A—[AMENDED]

■ 2. Section 98.6 is amended by revising the definition of ''Well completions'' to read as follows:

**§ 98.6 Definitions.**

* * * * *

*Well completions* means the process that allows for the flow of petroleum or natural gas from newly drilled wells to expel drilling and reservoir fluids and test the reservoir flow characteristics, steps which may vent produced gas to the atmosphere via an open pit or tank. Well completion also involves connecting the well bore to the reservoir, which may include treating the formation or installing tubing, packer(s), or lifting equipment, steps that do not significantly vent natural gas to the atmosphere. This process may also include high-rate flowback of injected gas, water, oil, and proppant used to fracture and prop open new fractures in existing lower permeability gas reservoirs, steps that may vent large quantities of produced gas to the atmosphere.

* * * * *

### Subpart W—[AMENDED]

■ 3. Section 98.230 is amended by revising paragraph (a)(2) to read as follows:

**§ 98.230 Definition of the source category.**

(a) * * *

(2) *Onshore petroleum and natural gas production.* Onshore petroleum and natural gas production means all equipment on a single well-pad or associated with a single well-pad (including but not limited to compressors, generators, dehydrators, storage vessels, engines, boilers, heaters, flares, separation and processing equipment, and portable non-self-propelled equipment, which includes well drilling and completion equipment, workover equipment, maintenance and repair equipment, and leased, rented or contracted equipment) used in the production, extraction, recovery, lifting, stabilization, separation or treating of petroleum and/or natural gas (including condensate). This equipment also includes associated storage or measurement vessels all petroleum and natural gas production equipment located on islands, artificial islands, or structures connected by a causeway to land, an island, or an artificial island. Onshore petroleum and natural gas production also means all equipment on or associated with a single enhanced oil recovery (EOR) well pad using $CO_2$ or natural gas injection.

* * * * *

■ 4. Section 98.232 is amended by:
■ a. Revising paragraph (c)(11);
■ b. Revising paragraph (d)(1);
■ c. Revising paragraph (e)(1);
■ d. Adding paragraph (e)(6);
■ e. Revising paragraph (f)(1);
■ f. Adding paragraph (f)(4);
■ g. Revising paragraph (g)(1);
■ h. Adding paragraph (g)(4);
■ i. Revising paragraph (h)(1);
■ j. Adding paragraph (h)(5); and
■ k. Revising paragraphs (i)(1) through (i)(7).

The revisions and additions read as follows:

**§ 98.232 GHGs to report.**

* * * * *

(c) * * *

(11) Reciprocating compressor venting.

* * * * *

(d) * * *

(1) Reciprocating compressor venting.

* * * * *

(e) * * *

(1) Reciprocating compressor venting.

* * * * *

(6) Flare stack emissions.

(f) * * *

(1) Reciprocating compressor venting.

* * * * *

(4) Flare stack emissions.

* * * * *

(g) * * *

(1) Reciprocating compressor venting.

* * * * *

(4) Flare stack emissions.

(h) * * *

(1) Reciprocating compressor venting.

* * * * *

(5) Flare stack emissions.

(i) * * *

(1) Equipment leaks from connectors, block valves, control valves, pressure relief valves, orifice meters, regulators, and open-ended lines at above grade transmission-distribution transfer stations.

(2) Equipment leaks at below grade transmission-distribution transfer stations.

(3) Equipment leaks at above grade metering-regulating stations that are not above grade transmission-distribution transfer stations.

(4) Equipment leaks at below grade metering-regulating stations.

(5) Distribution main equipment leaks.

(6) Distribution services equipment leaks.

(7) Report under subpart W of this part the emissions of $CO_2$, $CH_4$, and $N_2O$ emissions from stationary fuel combustion sources following the methods in § 98.233(z).

* * * * *

■ 5. Section 98.233 is amended by:
■ a. Revising paragraphs (a) introductory text, (a)(1), and (a)(2);
■ b. Adding paragraph (a)(4);
■ c. Revising paragraphs (c), (d), (e), (f), (g), (h), and (i);
■ d. Revising paragraphs (j) introductory text, (j)(1) introductory text, (j)(1)(vii) introductory text, and (j)(2);
■ e. Removing paragraphs (j)(3) and (j)(4).
■ f. Redesignating paragraph (j)(5) as paragraph (j)(3) and revising newly redesignated paragraph (j)(3);
■ g. Redesignating paragraph (j)(6) as paragraph (j)(4) and revising newly redesignated paragraph (j)(4);
■ h. Redesignating paragraph (j)(7) as paragraph (j)(5) and revising newly redesignated paragraph (j)(5);
■ i. Redesignating paragraph (j)(8) as paragraph (j)(6) and revising newly redesignated paragraph (j)(6);

■ j. Redesignating paragraph (j)(9) as paragraph (j)(7) and revising newly redesignated paragraph (j)(7);
■ k. Revising paragraph (k);
■ l. Revising paragraphs (l) introductory text, (l)(2) introductory text, and (l)(2)(ii);
■ m. Revising paragraphs (l)(3) introductory text and the parameters ''FR'' and ''D'' of Equation W–17B in paragraph (l)(3);
■ n. Revising paragraphs (l)(5) and (l)(6);
■ o. Revising paragraphs (m), (n), (o), (p), (q), and (r);
■ p. Revising paragraphs (s)(2) introductory text, (s)(2)(i), (s)(3), (s)(4), and (t) introductory text.
■ q. Revising Equation W–33 of paragraph (t)(1) and adding the parameter ''$Z_a$'' to Equation W–33 in paragraph (t)(1);
■ r. Revising Equation W–34 of paragraph (t)(2) and adding the parameter ''$Z_a$'' to Equation W–34 in paragraph (t)(2);
■ s. Revising paragraphs (u) introductory text, (u)(2)(iii), and (u)(2)(v) through (vii);
■ t. Revising paragraphs (v), (w) introductory text, (w)(1), and (w)(3) introductory text;
■ u. Revising the parameters ''$Mass_{CO2}$'', ''N'', and ''$V_v$'' to Equation W–37 in paragraph (w)(3);
■ v. Revising paragraphs (x) introductory text and (x)(1);
■ w. Revising the parameter ''$S_{hl}$'' to Equation W–38 in paragraph (x)(2);
■ x. Revising paragraph (z)(1);
■ y. Revising the parameters ''$V_a$'', ''$Y_{CO2}$'', ''$Y_j$'', and ''$Y_{CH4}$'' to Equations W–39A and W–39B in paragraph (z)(2)(iii);
■ z. Revising Equation W–40 in paragraph (z)(2)(vi) and the parameters ''$MassN_2O$'', ''Fuel'', and ''HHV'' to Equation W–40 in paragraph (z)(2)(vi); and
■ aa. Removing the parameter ''GWP'' of Equation W–40 in paragraph (z)(2)(vi).

The revisions and additions read as follows:

**§ 98.233 Calculating GHG emissions.**

* * * * *

(a) *Natural gas pneumatic device venting.* Calculate $CH_4$ and $CO_2$ volumetric emissions from continuous high bleed, continuous low bleed, and intermittent bleed natural gas pneumatic devices using Equation W–1 of this section.

$$E_{s,i} = \sum_{i}^{t} Count_t * EF_t * GHG_i * T_t \qquad \text{(Eq. W-1)}$$

Where:

$E_{s,i}$ = Annual total volumetric GHG emissions at standard conditions in standard cubic feet per year from natural gas pneumatic device vents, of types ''t'' (continuous high bleed, continuous low bleed, intermittent bleed), for $GHG_i$.

$Count_t$ = Total number of natural gas pneumatic devices of type ''t'' (continuous high bleed, continuous low bleed, intermittent bleed) as determined in paragraph (a)(1) or (a)(2) of this section.

$EF_t$ = Population emission factors for natural gas pneumatic device vents (in standard cubic feet per hour per device) of each type ''t'' listed in Tables W–1A, W–3, and W–4 of this subpart for onshore petroleum and natural gas production, onshore natural gas transmission compression, and underground natural gas storage facilities, respectively.

$GHG_i$ = For onshore petroleum and natural gas production facilities, onshore natural gas transmission compression facilities, and underground natural gas storage facilities, concentration of $GHG_i$, $CH_4$ or $CO_2$, in produced natural gas or processed natural gas for each facility as specified in paragraphs (u)(2)(i), (iii), and (iv) of this section.

$T_t$ = Average estimated number of hours in the operating year the devices, of each type ''t'', were operational using engineering estimates based on best available data. Default is 8760 hours.

(1) For all industry segments, determine ''$Count_t$'' for Equation W–1 of this subpart for each type of natural gas pneumatic device (continuous high bleed, continuous low bleed, and intermittent bleed) by counting the devices, except as specified in paragraph (a)(2) of this section. The reported number of devices must represent the total number of devices for the reporting year.

(2) For the onshore petroleum and natural gas production industry segment, you have the option in the first two consecutive calendar years to determine ''$Count_t$'' for Equation W–1 of this subpart for each type of natural gas pneumatic device (continuous high bleed, continuous low bleed, and intermittent bleed) using engineering estimates based on best available data.

* * * * *

(4) Calculate both CH4 and CO2 mass emissions from volumetric emissions using calculations in paragraph (v) of this section.

* * * * *

(c) *Natural gas driven pneumatic pump venting.* (1) Calculate $CH_4$ and $CO_2$ volumetric emissions from natural gas driven pneumatic pump venting using Equation W–2 of this section. Natural gas driven pneumatic pumps covered in paragraph (e) of this section do not have to report emissions under this paragraph (c).

$$E_{s,i} = Count * EF * GHG_i * T \qquad \text{(Eq. W-2)}$$

Where:

$E_{s,i}$ = Annual total volumetric GHG emissions at standard conditions in standard cubic feet per year from all natural gas driven pneumatic pump venting, for $GHG_i$.

Count = Total number of natural gas driven pneumatic pumps.

EF = Population emissions factors for natural gas driven pneumatic pumps (in standard cubic feet per hour per pump) listed in Table W–1A of this subpart for onshore petroleum and natural gas production.

$GHG_i$ = Concentration of $GHG_i$, $CH_4$, or $CO_2$, in produced natural gas as defined in paragraph (u)(2)(i) of this section.

T = Average estimated number of hours in the operating year the pumps were operational using engineering estimates based on best available data. Default is 8760 hours.

(2) Calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions using calculations in paragraph (v) of this section.

(d) *Acid gas removal (AGR) vents.* For AGR vents (including processes such as amine, membrane, molecular sieve or other absorbents and adsorbents), calculate emissions for $CO_2$ only (not $CH_4$) vented directly to the atmosphere or emitted through a flare, engine (e.g., permeate from a membrane or de-adsorbed gas from a pressure swing adsorber used as fuel supplement), or sulfur recovery plant, using any of the

calculation methods described in this paragraph (d), as applicable.

(1) *Calculation Method* 1. If you operate and maintain a continuous emissions monitoring system (CEMS) that has both a $CO_2$ concentration monitor and volumetric flow rate monitor, you must calculate $CO_2$ emissions under this subpart by following the Tier 4 Calculation Method and all associated calculation, quality assurance, reporting, and recordkeeping requirements for Tier 4 in subpart C of this part (General Stationary Fuel Combustion Sources). Alternatively, you may follow the manufacturer's instructions or industry standard practice. If a $CO_2$ concentration monitor and volumetric flow rate monitor are not available, you may elect to install a $CO_2$ concentration monitor and a volumetric flow rate monitor that comply with all of the requirements specified for the Tier 4 Calculation Method in subpart C of this part (General Stationary Fuel Combustion Sources). The calculation and reporting of $CH_4$ and $N_2O$ emissions is not required as part of the Tier 4 requirements for AGR units.

(2) *Calculation Method 2*. If a CEMS is not available but a vent meter is installed, use the CO2 composition and annual volume of vent gas to calculate emissions using Equation W–3 of this section.

$$E_{a,CO2} = Vs * Vol_{CO2} \quad \text{(Eq. W-3)}$$

Where:

$E_{a,CO2}$ = Annual volumetric $CO_2$ emissions at actual conditions, in cubic feet per year.

$V_S$ = Total annual volume of vent gas flowing out of the AGR unit in cubic feet per year at actual conditions as determined by flow meter using methods set forth in § 98.234(b). Alternatively, you may follow the manufacturer's instructions or industry standard practice for calibration of the vent meter.

$Vol_{CO2}$ = Annual average volumetric fraction of CO2 content in vent gas flowing out of the AGR unit as determined in paragraph (d)(6) of this section.

(3) *Calculation Method 3*. If a CEMS or a vent meter is not installed, you may use the inlet or outlet gas flow rate of the acid gas removal unit to calculate emissions for $CO_2$ using Equations W–4A or W–4B of this section. If inlet gas flow rate is known, use Equation W–4A. If outlet gas flow rate is known, use Equation W–4B.

$$E_{a,CO2} = V_{in} * \left[ \frac{Vol_I - Vol_O}{1 - Vol_O} \right] \quad \text{(Eq. W-4A)}$$

$$E_{a,CO2} = V_{out} * \left[ \frac{Vol_I - Vol_O}{1 - Vol_I} \right] \quad \text{(Eq. W-4B)}$$

Where:

$E_{a,\ CO2}$ = Annual volumetric $CO_2$ emissions at actual conditions, in cubic feet per year.

$V_{in}$ = Total annual volume of natural gas flow into the AGR unit in cubic feet per year at actual conditions as determined using methods specified in paragraph (d)(5) of this section.

$V_{out}$ = Total annual volume of natural gas flow out of the AGR unit in cubic feet per year at actual conditions as determined using methods specified in paragraph (d)(5) of this section.

$Vol_I$ = Annual average volumetric fraction of $CO_2$ content in natural gas flowing into the AGR unit as determined in paragraph (d)(7) of this section.

$Vol_o$ = Annual average volumetric fraction of CO2 content in natural gas flowing out of the AGR unit as determined in paragraph (d)(8) of this section.

(4) *Calculation Method 4*. If CEMS or a vent meter is not installed, you may calculate emissions using any standard simulation software package, such as AspenTech HYSYS®, or API 4679 AMINECalc, that uses the Peng-Robinson equation of state and speciates $CO_2$ emissions. A minimum of the following, determined for typical operating conditions over the calendar year by engineering estimate and process knowledge based on best available data, must be used to characterize emissions:

(i) Natural gas feed temperature, pressure, and flow rate.

(ii) Acid gas content of feed natural gas.

(iii) Acid gas content of outlet natural gas.

(iv) Unit operating hours, excluding downtime for maintenance or standby.

(v) Exit temperature of natural gas.

(vi) Solvent pressure, temperature, circulation rate, and weight.

(5) For Calculation Method 3, determine the gas flow rate of the inlet when using Equation W–4A of this section or the gas flow rate of the outlet when using Equation W–4B of this section for the natural gas stream of an AGR unit using a meter according to methods set forth in § 98.234(b). If you do not have a continuous flow meter, either install a continuous flow meter or use an engineering calculation to determine the flow rate.

(6) For Calculation Method 2, if a continuous gas analyzer is not available on the vent stack, either install a continuous gas analyzer or take quarterly gas samples from the vent gas stream to determine $Vol_{CO2}$ in Equation W–3 of this section according to methods set forth in § 98.234(b).

(7) For Calculation Method 3, if a continuous gas analyzer is installed on the inlet gas stream, then the continuous gas analyzer results must be used. If a continuous gas analyzer is not available, either install a continuous gas analyzer or take quarterly gas samples from the inlet gas stream to determine $Vol_I$ in Equation W–4A or W–4B of this section according to methods set forth in § 98.234(b).

(8) For Calculation Method 3, determine annual average volumetric fraction of $CO_2$ content in natural gas flowing out of the AGR unit using one of the methods specified in paragraphs (d)(8)(i) through (d)(8)(iii) of this section.

(i) If a continuous gas analyzer is installed on the outlet gas stream, then the continuous gas analyzer results must be used. If a continuous gas analyzer is not available, you may install a continuous gas analyzer.

(ii) If a continuous gas analyzer is not available or installed, quarterly gas samples may be taken from the outlet gas stream to determine $Vol_O$ in Equation W–4A or W–4B of this section

according to methods set forth in § 98.234(b).

(iii) If a continuous gas analyzer is not available or installed, you may use sales line quality specification for $CO_2$ in natural gas.

(9) Calculate annual volumetric $CO_2$ emissions at standard conditions using calculations in paragraph (t) of this section.

(10) Calculate annual mass $CO_2$ emissions at standard conditions using calculations in paragraph (v) of this section.

(11) Determine if $CO_2$ emissions from the AGR unit are recovered and transferred outside the facility. Adjust the $CO_2$ emissions estimated in paragraphs (d)(1) through (d)(10) of this section downward by the magnitude of $CO_2$ emissions recovered and transferred outside the facility.

(e) *Dehydrator vents.* For dehydrator vents, calculate annual $CH_4$ and $CO_2$ emissions using the applicable calculation methods described in paragraphs (e)(1) through (e)(4) of this section. If emissions from dehydrator vents are routed to a vapor recovery system, you must adjust the emissions downward according to paragraph (e)(5) of this section. If emissions from dehydrator vents are routed to a flare or regenerator fire-box/fire tubes, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (e)(6) of this section.

(1) *Calculation Method 1.* Calculate annual mass emissions from absorbent dehydrators that have an annual average of daily natural gas throughput that is greater than or equal to 0.4 million standard cubic feet per day by using a software program, such as AspenTech HYSYS® or GRI–GLYCalc™, that uses the Peng-Robinson equation of state to calculate the equilibrium coefficient, speciates $CH_4$ and $CO_2$ emissions from dehydrators, and has provisions to include regenerator control devices, a separator flash tank, stripping gas and a gas injection pump or gas assist pump. The following parameters must be determined by engineering estimate based on best available data and must be used at a minimum to characterize emissions from dehydrators:

(i) Feed natural gas flow rate.

(ii) Feed natural gas water content.

(iii) Outlet natural gas water content.

(iv) Absorbent circulation pump type (e.g., natural gas pneumatic/air pneumatic/electric).

(v) Absorbent circulation rate.

(vi) Absorbent type (e.g., triethylene glycol (TEG), diethylene glycol (DEG) or ethylene glycol (EG)).

(vii) Use of stripping gas.

(viii) Use of flash tank separator (and disposition of recovered gas).

(ix) Hours operated.

(x) Wet natural gas temperature and pressure.

(xi) Wet natural gas composition. Determine this parameter using one of the methods described in paragraphs (e)(1)(xi)(A) through (e)(1)(xi)(D) of this section.

(A) Use the GHG mole fraction as defined in paragraph (u)(2)(i) or (u)(2)(ii) of this section.

(B) If the GHG mole fraction cannot be determined using paragraph (u)(2)(i) or (u)(2)(ii) of this section, select a representative analysis.

(C) You may use an appropriate standard method published by a consensus-based standards organization if such a method exists or you may use an industry standard practice as specified in § 98.234(b) to sample and analyze wet natural gas composition.

(D) If only composition data for dry natural gas is available, assume the wet natural gas is saturated.

(2) *Calculation Method 2.* Calculate annual volumetric emissions from glycol dehydrators that have an annual average of daily natural gas throughput that is less than 0.4 million standard cubic feet per day using Equation W–5 of this section:

$$E_{s,i} = EF_i * Count * 1000 \quad \text{(Eq. W-5)}$$

Where:

$E_{s,i}$ = Annual total volumetric GHG emissions (either $CO_2$ or $CH_4$) at standard conditions in cubic feet.

$EF_i$ = Population emission factors for glycol dehydrators in thousand standard cubic feet per dehydrator per year. Use 73.4 for $CH_4$ and 3.21 for $CO_2$ at 60 °F and 14.7 psia.

Count = Total number of glycol dehydrators that have an annual average of daily natural gas throughput that is less than 0.4 million standard cubic feet per day.

1000 = Conversion of $EF_i$ in thousand standard cubic feet to standard cubic feet.

(3) *Calculation Method 3.* Dehydrators that use desiccant must calculate emissions from the amount of gas vented from the vessel when it is depressurized for the desiccant refilling process using Equation W–6 of this section. Desiccant dehydrator emissions covered in this paragraph do not have to be calculated separately using the method specified in paragraph (i) of this section for blowdown vent stacks.

$$E_{s,n} = \frac{\left(H * D^2 * p * P_2 * \%G * N\right)}{(4 * P_1 * 100)} \quad \text{(Eq. W-6)}$$

Where:

$E_{s,n}$ = Annual natural gas emissions at standard conditions in cubic feet.

H = Height of the dehydrator vessel (ft).

D = Inside diameter of the vessel (ft).

$P_1$ = Atmospheric pressure (psia).

$P_2$ = Pressure of the gas (psia).

p = pi (3.14).

%G = Percent of packed vessel volume that is gas.

N = Number of dehydrator openings in the calendar year.

100 = Conversion of %G to fraction.

(4) For glycol dehydrators that use the calculation method in paragraph (e)(2) of this section, calculate both $CH_4$ and $CO_2$ mass emissions from volumetric GHGi emissions using calculations in paragraph (v) of this section. For desiccant dehydrators that use the calculation method in paragraph (e)(3) of this section, calculate both $CH_4$ and $CO_2$ volumetric and mass emissions from volumetric natural gas emissions using calculations in paragraphs (u) and (v) of this section.

(5) Determine if the dehydrator unit has vapor recovery. Adjust the emissions estimated in paragraphs (e)(1), (e)(2), and (e)(3) of this section downward by the magnitude of emissions recovered using a vapor recovery system as determined by engineering estimate based on best available data.

(6) Calculate annual emissions from dehydrator vents to flares or regenerator fire-box/fire tubes as follows:

(i) Use the dehydrator vent volume and gas composition as determined in paragraphs (e)(1) or (e)(2) of this section for absorbent dehydrators. Use the dehydrator vent volume and gas composition as determined in paragraphs (e)(3) and (e)(4) of this section for dehydrators that use desiccant.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine dehydrator vent emissions from the flare or regenerator combustion gas vent.

(f) *Well venting for liquids unloadings.* Calculate annual volumetric natural gas emissions from well venting for liquids unloading using one of the calculation methods described in paragraphs (f)(1), (f)(2), or (f)(3) of this section. Calculate annual $CH_4$ and $CO_2$ volumetric and mass emissions using the method described in paragraph (f)(4) of this section.

(1) *Calculation Method 1.* Calculate emissions from wells with plunger lifts and wells without plunger lifts separately. For at least one well of each unique well tubing diameter group and pressure group combination in each sub-basin category (see § 98.238 for the definitions of tubing diameter group, pressure group, and sub-basin category), where gas wells are vented to the atmosphere to expel liquids accumulated in the tubing, install a recording flow meter on the vent line used to vent gas from the well (e.g., on the vent line off the wellhead separator or atmospheric storage tank) according to methods set forth in § 98.234(b). Calculate the total emissions from well venting to the atmosphere for liquids unloading using Equation W–7A of this section. For any tubing diameter group and pressure group combination in a sub-basin where liquids unloading occurs both with and without plunger lifts, Equation W–7A will be used twice, once for wells with plunger lifts and once for wells without plunger lifts.

$$E_a = FR \sum_{p=1}^{h} T_p \qquad \text{(Eq. W-7A)}$$

Where:

$E_a$ = Annual natural gas emissions for all wells of the same tubing diameter group and pressure group combination in a sub-basin at actual conditions, a, in cubic feet. Calculate emission from wells with plunger lifts and wells without plunger lifts separately.

h = Total number of wells of the same tubing diameter group and pressure group combination in a sub-basin either with or without plunger lifts.

p = Wells 1 through h of the same tubing diameter group and pressure group combination in a sub-basin.

$T_p$ = Cumulative amount of time in hours of venting for each well, p, of the same tubing diameter group and pressure group combination in a sub-basin during the year. If the available venting data do not contain a record of the date of the venting events and data are not available to provide the venting hours for the specific time period of January 1 to December 31, you may calculate an annualized vent time, $T_p$, using Equation W–7B of this section.

FR = Average flow rate in cubic feet per hour for all measured wells of the same tubing diameter group and pressure group combination in a sub-basin, over the duration of the liquids unloading, under actual conditions as determined in paragraph (f)(1)(i) of this section.

$$T_p = \frac{HR_p}{MP_p} \text{ x } D_p \qquad \text{(Eq.W-7B)}$$

Where:

$HR_p$ = Cumulative amount of time in hours of venting for each well, p, during the monitoring period.

$MP_p$ = Time period, in days, of the monitoring period for each well, p. A minimum of 300 days in a calendar year are required. The next period of data collection must start immediately following the end of data collection for the previous reporting year.

$D_p$ = Time period, in days during which the well, p, was in production (365 if the well was in production for the entire year).

(i) Determine the well vent average flow rate (''FR'' in Equation W–7A of this section) as specified in paragraphs (f)(1)(i)(A) through (f)(1)(i)(C) of this section for at least one well in a unique well tubing diameter group and pressure group combination in each sub-basin category. Calculate emissions from wells with plunger lifts and wells without plunger lifts separately.

(A) Calculate the average flow rate per hour of venting for each unique tubing diameter group and pressure group combination in each sub-basin category by dividing the recorded total annual flow by the recorded time (in hours) for all measured liquid unloading events with venting to the atmosphere.

(B) Apply the average hourly flow rate calculated under paragraph (f)(1)(i)(A) of this section to all wells in the same pressure group that have the same tubing diameter group, for the number of hours of venting these wells.

(C) Calculate a new average flow rate every other calendar year starting with the first calendar year of data collection. For a new producing sub-basin category, calculate an average flow rate beginning in the first year of production.

(ii) Calculate natural gas volumetric emissions at standard conditions using calculations in paragraph (t) of this section.

(2) *Calculation Method 2.* Calculate the total emissions for each sub-basin from well venting to the atmosphere for liquids unloading without plunger lift assist using Equation W–8 of this section.

$$E_s = \sum_{p=1}^{W}\left[V_p \times \left(\left(0.37\times10^{-3}\right)\times CD_p^2 \times WD_p \times SP_p\right) + \sum_{q=1}^{V_p}\left(SFR_p \times \left(HR_{p,q} - 1.0\right)\times Z_{p,q}\right)\right] \qquad \text{(Eq. W-8)}$$

Where:

$E_s$ = Annual natural gas emissions for each sub-basin at standard conditions, s, in cubic feet per year.

W = Total number of wells with well venting for liquids unloading for each sub-basin.

p = Wells 1 through W with well venting for liquids unloading for each sub-basin.

$V_p$ = Total number of unloading events in the monitoring period per well, p.

$0.37 \times 10^{-3}$ = {3.14 (pi)/4}/{14.7*144} (psia converted to pounds per square feet).

$CD_p$ = Casing internal diameter for each well, p, in inches.

$WD_p$ = Well depth from either the top of the well or the lowest packer to the bottom of the well, for each well, p, in feet.

$SP_p$ = For each well, p, shut-in pressure or surface pressure for wells with tubing production, or casing pressure for each well with no packers, in pounds per square inch absolute (psia). If casing pressure is not available for each well, you may determine the casing pressure by multiplying the tubing pressure of each well with a ratio of casing pressure to tubing pressure from a well in the same sub-basin for which the casing pressure is known. The tubing pressure must be measured during gas flow to a flow-line. The shut-in pressure, surface pressure, or casing pressure must be determined just prior to liquids unloading when the well production is impeded by liquids loading or closed to the flow-line by surface valves.

$SFR_p$ = Average flow-line rate of gas for well, p, at standard conditions in cubic feet per hour. Use Equation W–33 of this section to calculate the average flow-line rate at standard conditions.

$HR_{p,q}$ = Hours that each well, p, was left open to the atmosphere during each unloading event, q.

1.0 = Hours for average well to blowdown casing volume at shut-in pressure.

q = Unloading event.

$Z_{p,q}$ = If $HR_{p,q}$ is less than 1.0 then $Z_{p,q}$ is equal to 0. If $HR_{p,q}$ is greater than or equal to 1.0 then $Z_{p,q}$ is equal to 1.

(3) *Calculation Method 3.* Calculate the total emissions for each sub-basin from well venting to the atmosphere for liquids unloading with plunger lift assist using Equation W–9 of this section.

$$E_s = \sum_{p=1}^{W}\left[V_p \times \left(\left(0.37\times10^{-3}\right)\times TD_p^2 \times WD_p \times SP_p\right) + \sum_{q=1}^{V_p}\left(SFR_p \times \left(HR_{p,q} - 0.5\right)\times Z_{p,q}\right)\right] \quad \text{(Eq. W-9)}$$

Where:

$E_s$ = Annual natural gas emissions for each sub-basin at standard conditions, s, in cubic feet per year.

W = Total number of wells with plunger lift assist and well venting for liquids unloading for each sub-basin.

p = Wells 1 through W with well venting for liquids unloading for each sub-basin.

$V_p$ = Total number of unloading events in the monitoring period for each well, p.

$0.37 \times 10^{-3}$ = {3.14 (pi)/4}/{14.7*144} (psia converted to pounds per square feet).

$TD_p$ = Tubing internal diameter for each well, p, in inches.

$WD_p$ = Tubing depth to plunger bumper for each well, p, in feet.

$SP_p$ = Flow-line pressure for each well, p, in pounds per square inch absolute (psia), using engineering estimate based on best available data.

$SFR_p$ = Average flow-line rate of gas for well, p, at standard conditions in cubic feet per hour. Use Equation W–33 of this section to calculate the average flow-line rate at standard conditions.

$HR_{p,q}$ = Hours that each well, p, was left open to the atmosphere during each unloading event, q.

0.5 = Hours for average well to blowdown tubing volume at flow-line pressure.

q = Unloading event.

$Z_{p,q}$ = If $HR_{p,q}$ is less than 0.5 then $Z_{p,q}$ is equal to 0. If $HR_{p,q}$ is greater than or equal to 0.5 then $Z_{p,q}$ is equal to 1.

(4) Calculate $CH_4$ and $CO_2$ volumetric and mass emissions from volumetric natural gas emissions using calculations in paragraphs (u) and (v) of this section.

(g) *Gas well venting during completions and workovers with hydraulic fracturing.* Calculate annual volumetric natural gas emissions from gas well venting during completions and workovers involving hydraulic fracturing using Equation W–10A or Equation W–10B of this section. Equation W–10A applies to well venting when the flowback rate is measured from a specified number of example completions or workovers and Equation W–10B applies when the flowback vent or flare volume is measured for each completion or workover. Completion and workover activities are separated into two periods, an initial period when flowback is routed to open pits or tanks and a subsequent period when gas content is sufficient to route the flowback to a separator or when the gas content is sufficient to allow measurement by the devices specified in paragraph (g)(1) of this section, regardless of whether a separator is actually utilized. If you elect to use Equation W–10A of this section, you must follow the procedures specified in paragraph (g)(1) of this section. Emissions must be calculated separately for completions and workovers, for each sub-basin, and for each well type combination identified in paragraph (g)(2) of this section. You must calculate $CH_4$ and $CO_2$ volumetric and mass emissions as specified in paragraph (g)(3) of this section. If emissions from gas well venting during completions and workovers with hydraulic fracturing are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (g)(4) of this section.

$$E_{s,n} = \sum_{p=1}^{W}\left[T_{p,s} \times FRM_s \times PR_{s,p} - EnF_{s,p} + \left[T_{p,i} \times FRM_i \div 2 \times PR_{s,p}\right]\right] \quad \text{(Eq. W-10A)}$$

$$E_{s,n} = \sum_{p=1}^{W}\left[FV_{s,p} - EnF_{s,p} + \left[T_{p,i} \times FR_{p,i} \div 2\right]\right] \quad \text{(Eq. W-10B)}$$

Where:

$E_{s,n}$ = Annual volumetric natural gas emissions in standard cubic feet from gas well venting during completions or workovers following hydraulic fracturing for each sub-basin and well type combination.

W = Total number of wells completed or worked over using hydraulic fracturing in a sub-basin and well type combination.

$T_{p,s}$ = Cumulative amount of time of flowback, after sufficient quantities of gas are present to enable separation, where gas is vented or flared for the completion or workover, in hours, for each well, p, in a sub-basin and well type combination during the reporting

year. This may include non-contiguous periods of venting or flaring.

$T_{p,i}$ = Cumulative amount of time of flowback to open tanks/pits, from when gas is first detected until sufficient quantities of gas are present to enable separation, for the completion or workover, in hours, for each well, p, in a sub-basin and well type combination during the reporting year. This may include non-contiguous periods of routing to open tanks/pits.

$FRM_s$ = Ratio of average flowback, during the period when sufficient quantities of gas are present to enable separation, of well completions and workovers from hydraulic fracturing to 30-day production rate for the sub-basin and well type combination, calculated using procedures specified in paragraph (g)(1)(iii) of this section, expressed in standard cubic feet per hour.

$FRM_i$ = Ratio of initial flowback rate during well completions and workovers from hydraulic fracturing to 30-day production rate for the sub-basin and well type combination, calculated using procedures specified in paragraph (g)(1)(iv) of this section, expressed in standard cubic feet per hour, for the period of flow to open tanks/pits.

$PR_{s,p}$ = Average production flow rate during the first 30 days of production after completions of newly drilled gas wells or gas well workovers using hydraulic fracturing in standard cubic feet per hour of each well p, that was measured in the sub-basin and well type combination.

$EnF_{s,p}$ = Volume of $N_2$ injected gas in cubic feet at standard conditions that was injected into the reservoir during an energized fracture job for each well, p, as determined by using an appropriate meter according to methods described in § 98.234(b), or by using receipts of gas purchases that are used for the energized fracture job. Convert to standard conditions using paragraph (t) of this section. If the fracture process did not inject gas into the reservoir or if the injected gas is $CO_2$ then $EnF_{s,p}$ is 0.

$FV_{s,p}$ = Flow volume vented or flared of each well, p, in standard cubic feet measured using a recording flow meter (digital or analog) on the vent line to measure flowback during the separation period of the completion or workover according to methods set forth in § 98.234(b).

$FR_{p,i}$ = Flow rate vented or flared of each well, p, in standard cubic feet measured using a recording flow meter (digital or analog) on the vent line to measure the flowback, at the beginning of the period of time when sufficient quantities of gas are present to enable separation, of the completion or workover according to methods set forth in § 98.234(b).

(1) If you elect to use Equation W–10A of this section, you must use Calculation Method 1 as specified in paragraph (g)(1)(i) of this section, or Calculation Method 2 as specified in paragraph (g)(1)(ii) of this section, to determine the value of $FRM_s$ and $FRM_i$. These values must be based on the flow rate for flowback, once sufficient gas is present to enable separation. The number of measurements or calculations required to estimate $FRM_s$ and $FRM_i$ must be determined individually for completions and workovers per sub-basin and well type as follows: complete measurements or calculations for at least one completion or workover for less than or equal to 25 completions or workovers for each well type within a sub-basin; complete measurements or calculations for at least two completions or workovers for 26 to 50 completions or workovers for each sub-basin and well type combination; complete measurements or calculations for at least three completions or workovers for 51 to 100 completions or workovers for each sub-basin and well type combination; complete measurements or calculations for at least four completions or workovers for 101 to 250 completions or workovers for each sub-basin and well type combination; and complete measurements or calculations for at least five completions or workovers for greater than 250 completions or workovers for each sub-basin and well type combination.

(i) *Calculation Method 1.* You must use Equation W–12A as specified in paragraph (g)(1)(iii) of this section to determine the value of $FRM_s$. You must use Equation W–12B as specified in paragraph (g)(1)(iv) of this section to determine the value of $FRM_i$. The procedures specified in paragraphs (g)(1)(v) and (g)(1)(vi) also apply. When making flowback measurements for use in Equations W–12A and W–12B of this section, you must use a recording flow meter (digital or analog) installed on the vent line, ahead of a flare or vent, to measure the flowback rates in units of standard cubic feet per hour according to methods set forth in § 98.234(b).

(ii) *Calculation Method 2.* You must use Equation W–12A as specified in paragraph (g)(1)(iii) of this section to determine the value of $FRM_s$. You must use Equation W–12B as specified in paragraph (g)(1)(iv) of this section to determine the value of $FRM_i$. The procedures specified in paragraphs (g)(1)(v) and (g)(1)(vi) also apply. When calculating the flowback rates for use in Equations W–12A and W–12B of this section based on well parameters, you must record the well flowing pressure immediately upstream (and immediately downstream in subsonic flow) of a well choke according to methods set forth in § 98.234(b) to calculate the well flowback. The upstream pressure must be surface pressure and reservoir pressure cannot be assumed. The downstream pressure must be measured after the choke and atmospheric pressure cannot be assumed. Calculate flowback rate using Equation W–11A of this section for subsonic flow or Equation W–11B of this section for sonic flow. You must use best engineering estimates based on best available data along with Equation W–11C of this section to determine whether the predominant flow is sonic or subsonic. If the value of R in Equation W–11C of this section is greater than or equal to 2, then flow is sonic; otherwise, flow is subsonic. Convert calculated $FR_a$ values shall be converted from actual conditions upstream of the restriction orifice to standard conditions ($FR_{s,p}$ and $FR_{i,p}$) for use in Equations W–12A and W–12B of this section using Equation W–33 in paragraph (t) of this section.

$$FR_a = 1.27 * 10^5 * A * \sqrt{3430 * T_u * \left[ \left( \frac{P_2}{P_1} \right)^{1.515} - \left( \frac{P_2}{P_1} \right)^{1.758} \right]} \qquad \text{(Eq. W-11A)}$$

Where:

$FR_a$ = Flowback rate in actual cubic feet per hour, under actual subsonic flow conditions.

A = Cross sectional open area of the restriction orifice ($m^2$).

$P_1$ = Pressure immediately upstream of the choke (psia).

$T_u$ = Temperature immediately upstream of the choke (degrees Kelvin).

$P_2$ = Pressure immediately downstream of the choke (psia).

3430 = Constant with units of $m^2/(sec^2 * K)$.

$1.27*10^5$ = Conversion from $m^3$/second to $ft^3$/hour.

$$FR_a = 1.27 * 10^5 * A * \sqrt{187.08 * T_u} \quad \text{(Eq. W-11B)}$$

Where:

$FR_a$ = Flowback rate in actual cubic feet per hour, under actual sonic flow conditions.

A = Cross sectional open area of the restriction orifice ($m^2$).

$T_u$ = Temperature immediately upstream of the choke (degrees Kelvin).

187.08 = Constant with units of $m^2/(sec^2 * K)$.

$1.27*10^5$ = Conversion from $m^3$/second to $ft^3$/hour.

$$R = P1/P2 \quad \text{(Eq. W-11C)}$$

Where:

R = Pressure ratio.

$P_1$ = Pressure immediately upstream of the choke (psia).

$P_2$ = Pressure immediately downstream of the choke (psia).

(iii) For Equation W–10A of this section, calculate $FRM_s$ using Equation W–12A of this section.

$$FRM_s = \frac{\sum_{p=1}^{N} FR_{s,p}}{\sum_{p=1}^{N} PR_{s,p}} \quad \text{(Eq. W-12A)}$$

Where:

$FRM_s$ = Ratio of average flowback rate, during the period of time when sufficient quantities of gas are present to enable separation, of well completions and workovers from hydraulic fracturing to 30-day production rate for each sub-basin and well type combination.

$FR_{s,p}$ = Measured average flowback rate from Calculation Method 1 described in paragraph (g)(1)(i) of this section or calculated average flowback rate from Calculation Method 2 described in paragraph (g)(1)(ii) of this section, during the separation period in standard cubic feet per hour for well(s) p for each sub-basin and well type combination. Convert measured and calculated $FR_a$ values shall be converted from actual conditions upstream of the restriction orifice ($FR_a$) to standard conditions ($FR_{s,p}$) for each well p using Equation W–33 in paragraph (t) of this section. You may not use flow volume as used in Equation W–10B converted to a flow rate for this parameter.

$PR_{s,p}$ = Average production flow rate during the first 30 days of production after completions of newly drilled gas wells or gas well workovers using hydraulic fracturing, in standard cubic feet per hour for each well, p, that was measured in the sub-basin and well type combination.

N = Number of measured or calculated well completions or workovers using hydraulic fracturing in a sub-basin and well type combination.

(iv) For Equation W–10A of this section, calculate $FRM_i$ using Equation W–12B of this section.

$$FRM_i = \frac{\sum_{p=1}^{N} FR_{i,p}}{\sum_{p=1}^{N} PR_{s,p}} \quad \text{(Eq. W-12B)}$$

Where:

$FRM_i$ = Ratio of flowback gas rate while flowing to open tanks/pits during well completions and workovers from hydraulic fracturing to 30-day production rate.

$FR_{i,p}$ = Initial measured gas flowback rate from Calculation Method 1 described in paragraph (g)(1)(i) of this section or initial calculated flow rate from Calculation Method 2 described in paragraph (g)(1)(ii) of this section in standard cubic feet per hour for well(s), p, for each sub-basin and well type combination. Measured and calculated $FR_{i,p}$ values must be based on flow conditions at the beginning of the separation period and must be expressed at standard conditions.

$PR_{s,p}$ = Average production flow rate during the first 30-days of production after completions of newly drilled gas wells or gas well workovers using hydraulic fracturing, in standard cubic feet per hour of each well, p, that was measured in the sub-basin and well type combination.

N = Number of measured or calculated well completions or workovers using hydraulic fracturing in a sub-basin and well type combination.

(v) For Equation W–10A of this section, the ratio of flowback rate during well completions and workovers from hydraulic fracturing to 30-day production rate for horizontal and vertical wells are applied to all horizontal and vertical well completions in the gas producing sub-basin and well type combination and to all horizontal and vertical well workovers, respectively, in the gas producing sub-basin and well type combination for the total number of hours of flowback and for the first 30 day average production rate for each of these wells.

(vi) For Equation W–12A and W–12B of this section, calculate new flowback rates for horizontal and vertical gas well completions and horizontal and vertical gas well workovers in each sub-basin category once every two years starting in the first calendar year of data collection.

(2) For paragraphs (g) introductory text and (g)(1) of this section, measurements and calculations are completed separately for workovers and completions per sub-basin and well type combination. A well type combination is a unique combination of the

parameters listed in paragraphs (g)(2)(i) through (g)(2)(iii) of this section.

(i) Vertical or horizontal (directional drilling).

(ii) With flaring or without flaring.

(iii) Reduced emission completion/workover or not reduced emission completion/workover.

(3) Calculate both $CH_4$ and $CO_2$ volumetric and mass emissions from total natural gas volumetric emissions using calculations in paragraphs (u) and (v) of this section.

(4) Calculate annual emissions from gas well venting during well completions and workovers from hydraulic fracturing where all or a portion of the gas is flared as specified in paragraphs (g)(4)(i) and (g)(4)(ii) of this section.

(i) Use the volumetric total natural gas emissions vented to the atmosphere during well completions and workovers as determined in paragraph (g) of this section to calculate volumetric and mass emissions using paragraphs (u) and (v) of this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to adjust emissions for the portion of gas flared during well completions and workovers using hydraulic fracturing. This adjustment to emissions from completions using flaring, versus completions without flaring, accounts for the conversion of $CH_4$ to $CO_2$ in the flare and for the formation on $N_2O$ during flaring.

(h) *Gas well venting during completions and workovers without hydraulic fracturing.* Calculate annual volumetric natural gas emissions from each gas well venting during workovers without hydraulic fracturing using Equation W–13A of this section. Calculate annual volumetric natural gas emissions from each gas well venting during completions without hydraulic fracturing using Equation W–13B of this section. You must convert annual volumetric natural gas emissions to $CH_4$ and $CO_2$ volumetric and mass emissions as specified in paragraph (h)(1) of this section. If emissions from gas well venting during completions and workovers without hydraulic fracturing are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (h)(2) of this section.

$$E_{s,wo} = N_{wo} * EF_{wo} \quad \text{(Eq. W-13A)}$$

$$E_{s,p} = \sum_{p=1}^{f} V_p * T_p \quad \text{(Eq. W-13B)}$$

Where:

$E_{s,wo}$ = Annual volumetric natural gas emissions in standard cubic feet from gas well venting during well workovers without hydraulic fracturing.

$N_{wo}$ = Number of workovers per sub-basin category that do not involve hydraulic fracturing in the reporting year.

$EF_{wo}$ = Emission factor for non-hydraulic fracture well workover venting in standard cubic feet per workover. Use 3,114 standard cubic feet natural gas per well workover without hydraulic fracturing.

$E_{s,p}$ = Annual volumetric natural gas emissions in standard cubic feet from gas well venting during well completions without hydraulic fracturing.

p = Well completions 1 through f in a sub-basin.

f = Total number of well completions without hydraulic fracturing in a sub-basin category.

$V_p$ = Average daily gas production rate in standard cubic feet per hour for each well, p, undergoing completion without hydraulic fracturing. This is the total annual gas production volume divided by total number of hours the wells produced to the flow-line. For completed wells that have not established a production rate, you may use the average flow rate from the first 30 days of production. In the event that the well is completed less than 30 days from the end of the calendar year, the first 30 days of the production straddling the current and following calendar years shall be used.

$T_p$ = Time that gas is vented to either the atmosphere or a flare for each well, p, undergoing completion without hydraulic fracturing, in hours during the year.

(1) Calculate both $CH_4$ and $CO_2$ volumetric emissions from natural gas volumetric emissions using calculations in paragraph (u) of this section. Calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions vented to atmosphere using calculations in paragraph (v) of this section.

(2) Calculate annual emissions of $CH_4$, $CO_2$, and $N_2O$ from gas well venting to flares during well completions and workovers not involving hydraulic fracturing as specified in paragraphs (h)(2)(i) and (h)(2)(ii) of this section.

(i) Use the gas well venting volume and gas composition during well completions and workovers that are flared as determined using the methods specified in paragraphs (h) and (h)(1) of this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine emissions from the flare for gas well venting to a flare during completions and workovers without hydraulic fracturing.

(i) *Blowdown vent stacks.* Calculate $CO_2$ and $CH_4$ blowdown vent stack emissions from the depressurization of equipment to reduce system pressure for planned or emergency shutdowns resulting from human intervention or to take equipment out of service for maintenance as specified in either paragraph (i)(2) or (i)(3) of this section. Equipment with a unique physical volume of less than 50 cubic feet as determined in paragraph (i)(1) of this section are not subject to the requirements in paragraphs (i)(2) through (i)(4) this section. The requirements in this paragraph (i) do not apply to blowdown vent stack emissions from depressurizing to a flare, over-pressure relief, operating pressure control venting, blowdown of non-GHG gases, and desiccant dehydrator blowdown venting before reloading.

(1) Method for calculating unique physical volumes. You must calculate each unique physical volume (including pipelines, compressor case or cylinders, manifolds, suction bottles, discharge bottles, and vessels) between isolation valves, in cubic feet, by using engineering estimates based on best available data.

(2) Method for determining emissions from blowdown vent stacks according to equipment type. If you elect to determine emissions according to each equipment type, using unique physical volumes as calculated in paragraph (i)(1) of this section, you must calculate emissions as specified in paragraphs (i)(2)(i) through (i)(2)(iii) of this section for each equipment type. Equipment types must be grouped into the following seven categories: station piping, pipeline venting, compressors, scrubbers/strainers, pig launchers and receivers, emergency shutdowns, and all other blowdowns greater than or equal to 50 cubic feet.

(i) Calculate the total annual natural gas emissions from each unique physical volume that is blown down

using either Equation W–14A or W–14B of this section.

$$E_{s,n} = N * \left( V \left( \frac{(459.67 + T_s) P_a}{(459.67 + T_a) P_s Z_a} \right) - V * C \right) \quad \text{(Eq. W-14A)}$$

Where:

$E_{s,n}$ = Annual natural gas emissions at standard conditions from each unique physical volume that is blown down, in cubic feet.

N = Number of occurrences of blowdowns for each unique physical volume in the calendar year. You must retain logs documenting the number of occurrences of blowdowns for each unique physical volume in the calendar year.

V = Unique physical volume between isolation valves, in cubic feet, as calculated in paragraph (i)(1) of this section.

C = Purge factor is 1 if the unique physical volume is not purged, or 0 if the unique physical volume is purged using non-GHG gases.

$T_s$ = Temperature at standard conditions (60 °F).

$T_a$ = Temperature at actual conditions in the unique physical volume (°F).

$P_s$ = Absolute pressure at standard conditions (14.7 psia).

$P_a$ = Absolute pressure at actual conditions in the unique physical volume (psia).

$Z_a$ = Compressibility factor at actual conditions for natural gas. You may use 1 if the temperature is above −10 degrees Fahrenheit and pressure is below 5 atmospheres, or if the compressibility factor at the actual temperature and pressure is 0.98 or greater.

$$E_{s,n} = \sum_{p=1}^{N} \left[ V_p \left( \frac{(459.67 + T_s)(P_{a,b,p} - P_{a,e,p})}{(459.67 + T_{a,p}) P_s Z_a} \right) \right] \quad \text{(Eq. W-14B)}$$

Where:

$E_{s,n}$ = Annual natural gas emissions at standard conditions from each unique physical volume that is blown down, in cubic feet.

p = Individual occurrence of blowdown for the same unique physical volume.

N = Number of occurrences of blowdowns for each unique physical volume in the calendar year. You must retain logs documenting the number of occurrences of blowdowns for each unique physical volume in the calendar year.

$V_p$ = Unique physical volume between isolation valves, in cubic feet, for each blowdown ''p.''

$T_s$ = Temperature at standard conditions (60 °F).

$T_{a,p}$ = Temperature at actual conditions in the unique physical volume (°F) for each blowdown ''p''.

$P_s$ = Absolute pressure at standard conditions (14.7 psia).

$P_{a,b,p}$ = Absolute pressure at actual conditions in the unique physical volume (psia) at the beginning of the blowdown ''p''.

$P_{a,e,p}$ = Absolute pressure at actual conditions in the unique physical volume (psia) at the end of the blowdown ''p''; 0 if blowdown volume is purged using non-GHG gases.

$Z_a$ = Compressibility factor at actual conditions for natural gas. You may use 1 if the temperature is above −10 degrees Fahrenheit and pressure is below 5 atmospheres, or if the compressibility factor at the actual temperature and pressure is 0.98 or greater.

(ii) Calculate the annual natural gas emissions, in cubic feet, from each equipment type by summing $E_{s,n}$, as calculated in either Equation W–14A or Equation W–14B of this subpart, for all unique physical volumes associated with the equipment type.

(iii) Calculate total annual $CH_4$ and $CO_2$ volumetric and mass emissions from each equipment type by using the annual natural gas emission value calculated in paragraph (i)(2)(ii) of this section for the equipment type and the calculation method specified in paragraph (i)(4) of this section.

(3) *Method for determining emissions from blowdown vent stacks using a flow meter.* In lieu of determining emissions from blowdown vent stacks using unique physical volumes as specified in paragraphs (i)(1) and (i)(2) of this section, you may use a flow meter and measure blowdown vent stack emissions. If you choose to use this method, you must measure the natural gas emissions from the blowdown(s) at the facility using a flow meter according to methods in § 98.234(b), and calculate annual $CH_4$ and $CO_2$ volumetric and mass emissions measured by the meters according to paragraph (i)(4) of this section.

(4) *Method for converting from natural gas emissions to GHG volumetric and mass emissions.* Calculate both $CH_4$ and $CO_2$ volumetric and mass emissions using the methods specified in paragraphs (u) and (v) of this section.

(j) *Onshore production storage tanks.* Calculate $CH_4$, $CO_2$, and $N_2O$ (when flared) emissions from atmospheric pressure fixed roof storage tanks receiving hydrocarbon produced liquids from onshore petroleum and natural gas production facilities (including stationary liquid storage not owned or operated by the reporter), as specified in this paragraph (j). For wells flowing to gas-liquid separators with annual average daily throughput of oil greater than or equal to 10 barrels per day, calculate annual $CH_4$ and $CO_2$ using Calculation Method 1 or 2 as specified in paragraphs (j)(1) and (j)(2) of this section. For wells flowing directly to atmospheric storage tanks without passing through a wellhead separator with throughput greater than 10 barrels per day, calculate annual $CH_4$ and $CO_2$ emissions using Calculation Method 2 as specified in paragraph (j)(2) of this section. For wells flowing to gas-liquid separators or directly to atmospheric storage tanks with throughput less than 10 barrels per day, use Calculation Method 3 as specified in paragraphs (j)(3) of this section. You must also calculate emissions that may have occurred due to dump valves not closing properly using the method specified in paragraph (j)(6) of this section. If emissions from atmospheric pressure fixed roof storage tanks are routed to a vapor recovery system, you must adjust the emissions downward according to paragraph (j)(4) of this section. If emissions from atmospheric pressure fixed roof storage tanks are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (j)(5) of this section.

(1) *Calculation Method 1.* Calculate annual $CH_4$ and $CO_2$ emissions from onshore production storage tanks using operating conditions in the last

wellhead gas-liquid separator before liquid transfer to storage tanks. Calculate flashing emissions with a software program, such as AspenTech HYSYS® or API 4697 E&P Tank, that uses the Peng-Robinson equation of state, models flashing emissions, and speciates $CH_4$ and $CO_2$ emissions that will result when the oil from the separator enters an atmospheric pressure storage tank. The following parameters must be determined for typical operating conditions over the year by engineering estimate and process knowledge based on best available data, and must be used at a minimum to characterize emissions from liquid transferred to tanks:

* * * * *

(vii) Separator oil composition and Reid vapor pressure. If this data is not available, determine these parameters by using one of the methods described in paragraphs (j)(1)(vii)(A) through (j)(1)(vii)(C) of this section.

* * * * *

(2) *Calculation Method 2.* Calculate annual $CH_4$ and $CO_2$ emissions by assuming that all of the $CH_4$ and $CO_2$ in solution at separator temperature and pressure is emitted from oil sent to storage tanks, using either of the methods in paragraphs (j)(2)(i) or (j)(2)(ii) of this section. You may use an appropriate standard method published by a consensus-based standards organization if such a method exists or you may use an industry standard practice as described in § 98.234(b) to sample and analyze separator oil composition at separator pressure and temperature.

* * * * *

(3) *Calculation Method 3.* Calculate $CH_4$ and $CO_2$ emissions using Equation W–15 of this section:

$$E_{s,i} = EF_i * Count * 1000 \quad \text{(Eq. W-15)}$$

Where:

$E_{s,i}$ = Annual total volumetric GHG emissions (either $CO_2$ or $CH_4$) at standard conditions in cubic feet.

$EF_i$ = Population emission factor for separators or wells in thousand standard cubic feet per separator or well per year, for crude oil use 4.2 for $CH_4$ and 2.8 for $CO_2$ at 60 °F and 14.7 psia, and for gas condensate use 17.6 for $CH_4$ and 2.8 for $CO_2$ at 60 °F and 14.7 psia.

Count = Total number of separators or wells with annual average daily throughput less than 10 barrels per day. Count only separators or wells that feed oil directly to the storage tank.

1,000 = Conversion from thousand standard cubic feet to standard cubic feet.

(4) Determine if the storage tank receiving your separator oil has a vapor recovery system.

(i) Adjust the emissions estimated in paragraphs (j)(1) through (j)(3) of this section downward by the magnitude of emissions recovered using a vapor recovery system as determined by engineering estimate based on best available data.

(ii) [Reserved]

(5) Determine if the storage tank receiving your separator oil is sent to flare(s).

(i) Use your separator flash gas volume and gas composition as determined in this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine storage tank emissions from the flare.

(6) Calculate emissions from occurrences of well pad gas-liquid separator liquid dump valves not closing during the calendar year by using Equation W–16 of this section.

$$E_{s,i,o} = \left( CF_n * \frac{E_n}{8760} * T_n \right) \quad \text{(Eq. W-16)}$$

Where:

$E_{s,i,o}$ = Annual volumetric GHG emissions at standard conditions from each storage tank in cubic feet that resulted from the dump valve on the gas-liquid separator not closing properly.

$E_n$ = Storage tank emissions as determined in Calculation Methods 1, 2, or 3 in paragraphs (j)(1), (j)(2), and (j)(3) of this section (with wellhead separators) in standard cubic feet per year.

$T_n$ = Total time a dump valve is not closing properly in the calendar year in hours. Estimate $T_n$ based on maintenance, operations, or routine well pad inspections that indicate the period of time when the valve was malfunctioning in open or partially open position.

$CF_n$ = Correction factor for tank emissions for time period Tn is 2.87 for crude oil production. Correction factor for tank emissions for time period Tn is 4.37 for gas condensate production.

8,760 = Conversion to hourly emissions.

(7) Calculate both $CH_4$ and $CO_2$ mass emissions from natural gas volumetric emissions using calculations in paragraph (v) of this section.

(k) *Transmission storage tanks.* For vent stacks connected to one or more transmission condensate storage tanks, either water or hydrocarbon, without vapor recovery, in onshore natural gas transmission compression, calculate $CH_4$ and $CO_2$ annual emissions from compressor scrubber dump valve leakage as specified in paragraphs (k)(1) through (k)(3) of this section. If emissions from compressor scrubber dump valve leakage are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (k)(4) of this section.

(1) Except as specified in paragraph (k)(1)(iv) of this section, you must monitor the tank vapor vent stack annually for emissions using one of the methods specified in paragraphs (k)(1)(i) through (k)(1)(iii) of this section.

(i) Use an optical gas imaging instrument according to methods set forth in § 98.234(a)(1).

(ii) Measure the tank vent directly using a flow meter or high volume sampler according to methods in § 98.234(b) or (d) for a duration of 5 minutes.

(iii) Measure the tank vent using a calibrated bag according to methods in § 98.234(c) for a duration of 5 minutes or until the bag is full, whichever is shorter.

(iv) You may annually monitor leakage through compressor scrubber dump valve(s) into the tank using an acoustic leak detection device according to methods set forth in § 98.234(a)(5).

(2) If the tank vapors from the vent stack are continuous for 5 minutes, or the acoustic leak detection device detects a leak, then you must use one of the methods in either paragraph (k)(2)(i) or (k)(2)(ii) of this section and the requirements specified in paragraphs (k)(2)(iii) and (k)(2)(iv) of this section to quantify annual emissions.

(i) Use a flow meter, such as a turbine meter, calibrated bag, or high volume sampler to estimate tank vapor volumes from the vent stack according to

methods set forth in § 98.234(b) through (d). If you do not have a continuous flow measurement device, you may install a flow measuring device on the tank vapor vent stack. If the vent is directly measured for five minutes under paragraph (k)(1)(ii) or (k)(1)(iii) of this section to detect continuous leakage, this serves as the measurement.

(ii) Use an acoustic leak detection device on each scrubber dump valve connected to the tank according to the method set forth in § 98.234(a)(5).

(iii) Use the appropriate gas composition in paragraph (u)(2)(iii) of this section.

(iv) Calculate $CH_4$ and $CO_2$ volumetric and mass emissions at standard conditions using calculations in paragraphs (t), (u), and (v) of this section, as applicable to the monitoring equipment used.

(3) If a leaking dump valve is identified, the leak must be counted as having occurred since the beginning of the calendar year, or from the previous test that did not detect leaking in the same calendar year. If the leaking dump valve is fixed following leak detection, the leak duration will end upon being repaired. If a leaking dump valve is identified and not repaired, the leak must be counted as having occurred through the rest of the calendar year.

(4) Calculate annual emissions from storage tanks to flares as specified in paragraphs (k)(4)(i) and (k)(4)(ii) of this section.

(i) Use the storage tank emissions volume and gas composition as determined in paragraphs (k)(1) through (k)(3) of this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine storage tank emissions sent to a flare.

(l) *Well testing venting and flaring.* Calculate $CH_4$ and $CO_2$ annual emissions from well testing venting as specified in paragraphs (l)(1) through (l)(5) of this section. If emissions from well testing venting are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (l)(6) of this section.

* * * * *

(2) If GOR cannot be determined from your available data, then you must measure quantities reported in this section according to one of the procedures specified in paragraph (l)(2)(i) or (l)(2)(ii) of this section to determine GOR.

* * * * *

(ii) You may use an industry standard practice as described in § 98.234(b).

(3) Estimate venting emissions using Equation W–17A (for oil wells) or Equation W–17B (for gas wells) of this section.

* * * * *

FR = Average annual flow rate in barrels of oil per day for the oil well(s) being tested.

* * * * *

D = Number of days during the calendar year that the well(s) is tested.

* * * * *

(5) Calculate both $CH_4$ and $CO_2$ volumetric and mass emissions from natural gas volumetric emissions using calculations in paragraphs (u) and (v) of this section.

(6) Calculate emissions from well testing if emissions are routed to a flare as specified in paragraphs (l)(6)(i) and (l)(6)(ii) of this section.

(i) Use the well testing emissions volume and gas composition as determined in paragraphs (l)(1) through (4) of this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine well testing emissions from the flare.

(m) *Associated gas venting and flaring.* Calculate $CH_4$ and $CO_2$ annual emissions from associated gas venting not in conjunction with well testing (refer to paragraph (l): Well testing venting and flaring of this section) as specified in paragraphs (m)(1) through (m)(4) of this section. If emissions from associated gas venting are routed to a flare, you must calculate $CH_4$, $CO_2$, and $N_2O$ annual emissions as specified in paragraph (m)(5) of this section.

(1) Determine the GOR of the hydrocarbon production from each well whose associated natural gas is vented or flared. If GOR from each well is not available, use the GOR from a cluster of wells in the same sub-basin category.

(2) If GOR cannot be determined from your available data, then you must use one of the procedures specified in paragraphs (m)(2)(i) or (m)(2)(ii) of this section to determine GOR.

(i) You may use an appropriate standard method published by a consensus-based standards organization if such a method exists.

(ii) You may use an industry standard practice as described in § 98.234(b).

(3) Estimate venting emissions using Equation W–18 of this section.

$$E_{s,n} = \sum_{q=1}^{y}\sum_{p=1}^{x} GOR_{p,q} * V_{p,q} - SG_{p,q} - ERE_{p,q} \qquad \text{(Eq. W-18)}$$

Where:

$E_{s,n}$ = Annual volumetric natural gas emissions, at the facility level, from associated gas venting at standard conditions, in cubic feet.

$GOR_{p,q}$ = Gas to oil ratio, for well p in sub-basin q, in standard cubic feet of gas per barrel of oil; oil here refers to hydrocarbon liquids produced of all API gravities.

$V_{p,q}$ = Volume of oil produced, for well p in sub-basin q, in barrels in the calendar year during time periods in which associated gas was vented or flared.

$SG_{p,q}$ = Volume of associated gas sent to sales, for well p in sub-basin q, in standard cubic feet of gas in the calendar year during time periods in which associated gas was vented or flared.

$ERE_{p,q}$ = Emissions reported elsewhere, volume of associated gas for well p in sub-basin q, in standard cubic feet, during time periods in which associated gas was vented or flared and for which emission source types of this section calculate and report emissions from the associated gas stream prior to venting or flaring of the associated gas (i.e., § 98.233(j) for onshore production storage tanks).

x = Total number of wells in sub-basin that vent or flare associated gas.

y = Total number of sub-basins in a basin that contain wells that vent or flare associated gas.

(4) Calculate both $CH_4$ and $CO_2$ volumetric and mass emissions from volumetric natural gas emissions using calculations in paragraphs (u) and (v) of this section.

(5) Calculate emissions from associated natural gas if emissions are routed to a flare as specified in paragraphs (m)(5)(i) and (m)(5)(ii) of this section.

(i) Use the associated natural gas volume and gas composition as determined in paragraph (m)(1) through (m)(4) of this section.

(ii) Use the calculation method of flare stacks in paragraph (n) of this section to determine associated gas emissions from the flare.

(n) *Flare stack emissions.* Calculate $CO_2$, $CH_4$, and $N_2O$ emissions from a flare stack as specified in paragraphs (n)(1) through (n)(9) of this section.

(1) If you have a continuous flow measurement device on the flare, you

must use the measured flow volumes to calculate the flare gas emissions. If all of the flare gas is not measured by the existing flow measurement device, then the flow not measured can be estimated using engineering calculations based on best available data or company records. If you do not have a continuous flow measurement device on the flare, you can use engineering calculations based on process knowledge, company records, and best available data.

(2) If you have a continuous gas composition analyzer on gas to the flare, you must use these compositions in calculating emissions. If you do not have a continuous gas composition analyzer on gas to the flare, you must use the appropriate gas compositions for each stream of hydrocarbons going to the flare as specified in paragraphs (n)(2)(i) through (n)(2)(iii) of this section.

(i) For onshore natural gas production, determine the GHG mole fraction using paragraph (u)(2)(i) of this section.

(ii) For onshore natural gas processing, when the stream going to flare is natural gas, use the GHG mole fraction in feed natural gas for all streams upstream of the de-methanizer or dew point control, and GHG mole fraction in facility specific residue gas to transmission pipeline systems for all emissions sources downstream of the de-methanizer overhead or dew point control for onshore natural gas processing facilities. For onshore natural gas processing plants that solely fractionate a liquid stream, use the GHG mole fraction in feed natural gas liquid for all streams.

(iii) For any applicable industry segment, when the stream going to the flare is a hydrocarbon product stream, such as methane, ethane, propane, butane, pentane-plus and mixed light hydrocarbons, then you may use a representative composition from the source for the stream determined by engineering calculation based on process knowledge and best available data.

(3) Determine flare combustion efficiency from manufacturer. If not available, assume that flare combustion efficiency is 98 percent.

(4) Convert GHG volumetric emissions to standard conditions using calculations in paragraph (t) of this section.

(5) Calculate GHG volumetric emissions from flaring at standard conditions using Equations W–19 and W–20 of this section.

$$E_{s,CH_4} = V_s * X_{CH_4} * \left[ (1-\eta) * Z_L + Z_U \right] \quad \text{(Eq. W-19)}$$

$$E_{s,CO2} = V_s * X_{CO2} + \sum_{j=1}^{5} \left( \eta * V_s * Y_j * R_j * Z_L \right) \quad \text{(Eq. W-20)}$$

Where:

$E_{s,CH4}$ = Annual $CH_4$ emissions from flare stack in cubic feet, at standard conditions.

$E_{s,CO2}$ = Annual $CO_2$ emissions from flare stack in cubic feet, at standard conditions.

$V_s$ = Volume of gas sent to flare in standard cubic feet, during the year as determined in paragraph (n)(1) of this section.

$\eta$ = Flare combustion efficiency, expressed as fraction of gas combusted by a burning flare (default is 0.98).

$X_{CH4}$ = Mole fraction of $CH_4$ in the feed gas to the flare as determined in paragraph (n)(2) of this section.

$X_{CO2}$ = Mole fraction of $CO_2$ in the feed gas to the flare as determined in paragraph (n)(2) of this section.

$Z_U$ = Fraction of the feed gas sent to an un-lit flare determined by engineering estimate and process knowledge based on best available data and operating records.

$Z_L$ = Fraction of the feed gas sent to a burning flare (equal to 1- $Z_U$).

$Y_j$ = Mole fraction of hydrocarbon constituents j (such as methane, ethane, propane, butane, and pentanes-plus) in the feed gas to the flare as determined in paragraph (n)(1) of this section.

$R_j$ = Number of carbon atoms in the hydrocarbon constituent j in the feed gas to the flare: 1 for methane, 2 for ethane, 3 for propane, 4 for butane, and 5 for pentanes-plus).

(6) Calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions using calculation in paragraph (v) of this section.

(7) Calculate $N_2O$ emissions from flare stacks using Equation W–40 in paragraph (z) of this section.

(8) If you operate and maintain a CEMS that has both a $CO_2$ concentration monitor and volumetric flow rate monitor for the combustion gases from the flare, you must calculate only $CO_2$ emissions for the flare. You must follow the Tier 4 Calculation Method and all associated calculation, quality assurance, reporting, and recordkeeping requirements for Tier 4 in subpart C of this part (General Stationary Fuel Combustion Sources). If a CEMS is used to calculate flare stack emissions, the requirements specified in paragraphs (n)(1) through (n)(7) are not required.

(9) The flare emissions determined under paragraph (n) of this section must be corrected for flare emissions calculated and reported under other paragraphs of this section to avoid double counting of these emissions.

(o) Centrifugal compressor venting. If you are required to report emissions from centrifugal compressor venting as specified in § 98.232(d)(2), (e)(2), (f)(2), (g)(2), and (h)(2), you must conduct volumetric emission measurements specified in paragraph (o)(1) of this section using methods specified in paragraphs (o)(2) through (o)(5) of this section; perform calculations specified in paragraphs (o)(6) through (o)(9) of this section; and calculate $CH_4$ and $CO_2$ mass emissions as specified in paragraph (o)(11) of this section. If emissions from a compressor source are routed to a flare, paragraphs (o)(1) through (o)(11) of this section do not apply and instead you must calculate $CH_4$, $CO_2$, and $N_2O$ emissions as specified in paragraph (o)(12) of this section. If emissions from a compressor source are captured for fuel use or are routed to a thermal oxidizer, paragraphs (o)(1) through (o)(12) of this section do not apply and instead you must calculate and report emissions as specified in subpart C of this part. If emissions from a compressor source are routed to vapor recovery, the calculations specified in paragraphs (o)(1) through (o)(12) of this section do not apply. If you are required to report emissions from centrifugal compressor venting at an onshore petroleum and natural gas production facility as specified in § 98.232(c)(19), you must calculate volumetric emissions as specified in paragraph (o)(10) of this section; and calculate $CH_4$ and $CO_2$ mass emissions as specified in paragraph (o)(11) of this section.

(1) *General requirements for conducting volumetric emission measurements.* You must conduct volumetric emission measurements on each centrifugal compressor as specified in this paragraph. Compressor sources (as defined in § 98.238) without manifolded vents must use a

measurement method specified in paragraph (o)(1)(i) or (o)(1)(ii) of this section. Manifolded compressor sources (as defined in § 98.238) must use a measurement method specified in paragraph (o)(1)(i), (o)(1)(ii), (o)(1)(iii), or (o)(1)(iv) of this section.

(i) Centrifugal compressor source as found leak measurements. Measure venting from each compressor according to either paragraph (o)(1)(i)(A) or (o)(1)(i)(B) of this section at least once annually, based on the compressor mode (as defined in § 98.238) in which the compressor was found at the time of measurement, except as specified in paragraphs (o)(1)(i)(C) and (o)(1)(i)(D) of this section. If additional measurements beyond the required annual testing are performed (including duplicate measurements or measurement of additional operating modes), then all measurements satisfying the applicable monitoring and QA/QC that is required by this paragraph (o) must be used in the calculations specified in this section.

(A) For a compressor measured in operating-mode, you must measure volumetric emissions from blowdown valve leakage through the blowdown vent as specified in either paragraph (o)(2)(i)(A) or (o)(2)(i)(B) of this section and, if the compressor has wet seal oil degassing vents, measure volumetric emissions from wet seal oil degassing vents as specified in paragraph (o)(2)(ii) of this section. If a compressor has a continuously operating vapor recovery system for the wet seal degassing, then measurement of wet seal degassing is not required.

(B) For a compressor measured in not-operating-depressurized-mode, you must measure volumetric emissions from isolation valve leakage as specified in either paragraph (o)(2)(i)(A), (o)(2)(i)(B), or (o)(2)(i)(C) of this section. If a compressor is not operated and has blind flanges in place throughout the reporting period, measurement is not required in this compressor mode.

(C) You must measure the compressor as specified in paragraph (o)(1)(i)(B) of this section at least once in any three consecutive calendar years, provided the measurement can be taken during a scheduled shutdown. If three consecutive calendar years occur without measuring the compressor in not-operating-depressurized-mode, you must measure the compressor as specified in paragraph (o)(1)(i)(B) of this section at the next scheduled depressurized shutdown. The requirement specified in this paragraph does not apply if the compressor has blind flanges in place throughout the reporting year.

(D) You must measure the compressor as specified in paragraph (o)(1)(i)(A) of this section at least once in any three consecutive calendar years, provided that the measurement can be taken when the compressor is in operating-mode. If three consecutive calendar years occur without measuring the compressor in operating-mode, you must measure the compressor as specified in paragraph (o)(1)(i)(A) of this section in the next calendar year that the compressor is in operating-mode for more than 2,000 hours.

(ii) Centrifugal compressor source continuous monitoring. Instead of measuring the compressor source according to paragraph (o)(1)(i) of this section for a given compressor, you may elect to continuously measure volumetric emissions from a compressor source as specified in paragraph (o)(3) of this section.

(iii) Manifolded centrifugal compressor source as found leak measurements. For a compressor source that is part of a manifolded group of compressor sources (as defined in § 98.238), instead of measuring the compressor source according to paragraph (o)(1)(i), (o)(1)(ii), or (o)(1)(iv) of this section, you may elect to measure combined volumetric emissions from the manifolded group of compressor sources by conducting leak measurements at the common vent stack as specified in paragraph (o)(4) of this section. The leak measurements must be conducted at the frequency specified in paragraphs (o)(1)(iii)(A) through (o)(1)(iii)(C) of this section.

(A) A minimum of three leak measurements must be taken for each manifolded group of compressor sources in a calendar year.

(B) The leak measurements may be performed while the compressors are in any compressor mode.

(C) The three required leak measurements must be separated by a minimum of 60 days. If more than two leak measurements are performed, the first and last measurements in a calendar year must be separated by a minimum of 120 days.

(iv) Manifolded centrifugal compressor source continuous monitoring. For a compressor source that is part of a manifolded group of compressor sources, instead of measuring the compressor source according to paragraph (o)(1)(i), (o)(1)(ii), or (o)(1)(iii) of this section, you may elect to continuously measure combined volumetric emissions from the manifolded group of compressor sources as specified in paragraph (o)(5) of this section.

(2) *Methods for performing as found leak measurements from individual centrifugal compressor sources.* If conducting leak measurements for each compressor source, you must determine the volumetric emissions of leaks from blowdown valves and isolation valves as specified in paragraph (o)(2)(i) of this section, and the volumetric emissions of leaks from wet seal oil degassing vents as specified in paragraph (o)(2)(ii) of this section.

(i) For blowdown valves on compressors in operating-mode and for isolation valves on compressors in not-operating-depressurized-mode, determine the volumetric emissions of leaks using one of the methods specified in paragraphs (o)(2)(i)(A) through (o)(2)(i)(C) of this section.

(A) Measure the volumetric flow at standard conditions from the blowdown vent using calibrated bagging or high volume sampler according to methods set forth in § 98.234(c) and § 98.234(d), respectively.

(B) Measure the volumetric flow at standard conditions from the blowdown vent using a temporary meter such as a vane anemometer according to methods set forth in § 98.234(b).

(C) For isolation valves, you may use an acoustic leak detection device according to methods set forth in § 98.234(a) instead of measuring the isolation valve leakage through the blowdown vent as provided for in paragraphs (o)(2)(i)(A) or (o)(2)(i)(B) of this section.

(ii) For wet seal oil degassing vents in operating-mode, determine vapor volumes at standard conditions, using a temporary meter such as a vane anemometer or permanent flow meter according to methods set forth in § 98.234(b).

(3) *Methods for continuous leak measurement from individual centrifugal compressor sources.* If you elect to conduct continuous volumetric emission measurements for an individual compressor source as specified in paragraph (o)(1)(ii) of this section, you must measure volumetric emissions as specified in paragraphs (o)(3)(i) and (o)(3)(ii) of this section.

(i) Continuously measure the volumetric flow for the individual compressor source at standard conditions using a permanent meter according to methods set forth in § 98.234(b).

(ii) If compressor blowdown emissions are included in the metered emissions specified in paragraph (o)(3)(i) of this section, the compressor blowdown emissions may be included with the reported emissions for the compressor source and do not need to

be calculated separately using the method specified in paragraph (i) of this section for blowdown vent stacks.

(4) *Methods for performing as found leak measurements from manifolded groups of centrifugal compressor sources.* If conducting leak measurements for a manifolded group of compressor sources, you must measure volumetric emissions of leaks as specified in paragraphs (o)(4)(i) and (o)(4)(ii) of this section.

(i) Measure at a single point in the manifold downstream of all compressor inputs and where emissions cannot be comingled with other non-compressor emission sources.

(ii) Determine the volumetric flow at standard conditions from the common stack using one of the methods specified in paragraphs (o)(4)(ii)(A) through (o)(4)(ii)(C) of this section.

(A) A temporary meter such as a vane anemometer according the methods set forth in § 98.234(b).

(B) Calibrated bagging according to methods set forth in § 98.234(c).

(C) A high volume sampler according to methods set forth § 98.234(d).

(5) *Methods for continuous leak measurement from manifolded groups of centrifugal compressor sources.* If you elect to conduct continuous volumetric emission measurements for a manifolded group of compressor sources as specified in paragraph (o)(1)(iv) of this section, you must measure volumetric emissions as specified in paragraphs (o)(5)(i) through (o)(5)(iii) of this section.

(i) Measure at a single point in the manifold downstream of all compressor inputs and where emissions cannot be comingled with other non-compressor emission sources.

(ii) Continuously measure the volumetric flow for the manifolded group of compressor sources at standard conditions using a permanent meter according to methods set forth in § 98.234(b).

(iii) If compressor blowdown emissions are included in the metered emissions specified in paragraph (o)(5)(ii) of this section, the compressor blowdown emissions may be included with the reported emissions for the manifolded group of compressor sources and do not need to be calculated separately using the method specified in paragraph (i) of this section for blowdown vent stacks.

(6) *Method for calculating volumetric GHG emissions from as found leak measurements for individual centrifugal compressor sources.* For compressor sources measured according to paragraph (o)(1)(i) of this section, you must calculate annual GHG emissions from the compressor sources as specified in paragraphs (o)(6)(i) through (o)(6)(iv) of this section.

(i) Using Equation W–21 of this section, calculate the annual volumetric GHG emissions for each centrifugal compressor mode-source combination specified in paragraphs (o)(1)(i)(A) and (o)(1)(i)(B) of this section that was measured during the reporting year.

$$E_{s,i,m} = MT_{s,m} * T_m * GHG_{i,m} \quad \text{(Eq. W-21)}$$

Where:

$E_{s,i,m}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions for measured compressor mode-source combination m, at standard conditions, in cubic feet.

$MT_{s,m}$ = Volumetric gas emissions for measured compressor mode-source combination m, in standard cubic feet per hour, measured according to paragraph (o)(2) of this section. If multiple measurements are performed for a given mode-source combination m, use the average of all measurements.

$T_m$ = Total time the compressor is in the mode-source combination for which $E_{s,i,m}$ is being calculated in the reporting year, in hours.

$GHG_{i,m}$ = Mole fraction of GHGi in the vent gas for measured compressor mode-source combination m; use the appropriate gas compositions in paragraph (u)(2) of this section.

m = Compressor mode-source combination specified in paragraph (o)(1)(i)(A) or (o)(1)(i)(B) of this section that was measured for the reporting year.

(ii) Using Equation W–22 of this section, calculate the annual volumetric GHG emissions from each centrifugal compressor mode-source combination specified in paragraph (o)(1)(i)(A) and (o)(1)(i)(B) of this section that was not measured during the reporting year.

$$E_{s,i,m} = EF_{m,s} * T_m * GHG_{i,m} \quad \text{(Eq. W-22)}$$

Where:

$E_{s,i,m}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions for unmeasured compressor mode-source combination m, at standard conditions, in cubic feet.

$EF_{m,s}$ = Reporter emission factor for compressor mode-source combination m, in standard cubic feet per hour, as calculated in paragraph (o)(6)(iii) of this section.

$T_m$ = Total time the compressor was in the unmeasured mode-source combination m, for which $E_{s,i,m}$ is being calculated in the reporting year, in hours.

$GHG_{i,m}$ = Mole fraction of $GHG_i$ in the vent gas for unmeasured compressor mode-source combination m; use the appropriate gas compositions in paragraph (u)(2) of this section.

m = Compressor mode-source combination specified in paragraph (o)(1)(i)(A) or (o)(1)(i)(B) of this section that was not measured in the reporting year.

(iii) Using Equation W–23 of this section, develop an emission factor for each compressor mode-source combination specified in paragraph (o)(1)(i)(A) and (o)(1)(i)(B) of this section. These emission factors must be used in Equation W–22 of this section to determine volumetric emissions from a centrifugal compressor in the mode-source combinations that were not measured in the reporting year.

$$EF_{m,s} = \frac{\sum_{p=1}^{Count_m} MT_{m,p,s}}{Count_m} \quad \text{(Eq. W-23)}$$

Where:

$EF_{m,s}$ = Reporter emission factor to be used in Equation W–22 of this section for compressor mode-source combination m, in standard cubic feet per hour. The reporter emission factor must be based on all compressors measured in compressor mode-source combination m in the current reporting year and the preceding two reporting years.

$MT_{m,p,s}$ = Average volumetric gas emission measurement for compressor mode-source combination m, for compressor p, in standard cubic feet per hour, calculated using all volumetric gas emission measurements (MTm in Equation W–21 of this section) for compressor mode-source combination m for compressor p in the current reporting year and the preceding two reporting years.

$Count_m$ = Total number of compressors measured in compressor mode-source combination m in the current reporting year and the preceding two reporting years.

m = Compressor mode-source combination specified in paragraph (o)(1)(i)(A) or (o)(1)(i)(B) of this section.

(iv) The reporter emission factor in Equation W–23 of this section may be calculated by using all measurements from a single owner or operator instead of only using measurements from a single facility. If you elect to use this option, the reporter emission factor must be applied to all reporting facilities for the owner or operator.

(7) *Method for calculating volumetric GHG emissions from continuous monitoring of individual centrifugal compressor sources.* For compressor sources measured according to paragraph (o)(1)(ii) of this section, you must use the continuous volumetric emission measurements taken as specified in paragraph (o)(3) of this section and calculate annual volumetric GHG emissions associated with the compressor source using Equation W–24A of this section.

$$E_{s,i,v} = Q_{s,v} * GHG_{i,v} \quad \text{(Eq. W-24A)}$$

Where:

$E_{s,i,v}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions from compressor source v, at standard conditions, in cubic feet.

$Q_{s,v}$ = Volumetric gas emissions from compressor source v, for reporting year, in standard cubic feet.

$GHG_{i,v}$ = Mole fraction of GHGi in the vent gas for compressor source v; use the appropriate gas compositions in paragraph (u)(2) of this section.

(8) *Method for calculating volumetric GHG emissions from as found leak measurements of manifolded groups of centrifugal compressor sources.* For manifolded groups of compressor sources measured according to paragraph (o)(1)(iii) of this section, you must calculate annual volumetric GHG emissions using Equation W–24B of this section.

$$E_{s,i,g} = 8760 * MT_{g,avg} * GHG_{i,g} \quad \text{(Eq. W-24B)}$$

Where:

$E_{s,i,g}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions for manifolded group of compressor sources g, at standard conditions, in cubic feet.

$MT_{g,avg}$ = Average volumetric gas emissions of all measurements performed in the reporting year according to paragraph (o)(4) of this section for the manifolded group of compressor sources g, in standard cubic feet per hour.

$GHG_{i,g}$ = Mole fraction of GHGi in the vent gas for manifolded group of compressor sources g; use the appropriate gas compositions in paragraph (u)(2) of this section.

(9) *Method for calculating volumetric GHG emissions from continuous monitoring of manifolded group of centrifugal compressor sources.* For a manifolded group of compressor sources measured according to paragraph (o)(1)(iv) of this section, you must use the continuous volumetric emission measurements taken as specified in paragraph (o)(5) of this section and calculate annual volumetric GHG emissions associated with each manifolded group of compressor sources using Equation W–24C of this section. If the centrifugal compressors included in the manifolded group of compressor sources share the manifold with reciprocating compressors, you must follow the procedures in either this paragraph (o)(9) or paragraph (p)(9) of this section to calculate emissions from the manifolded group of compressor sources.

$$E_{s,i,g} = Q_{s,g} * GHG_{i,g} \quad \text{(Eq. W-24C)}$$

Where:

$E_{s,i,g}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions from manifolded group of compressor sources g, at standard conditions, in cubic feet.

$Q_{s,g}$ = Volumetric gas emissions from manifolded group of compressor sources g, for reporting year, in standard cubic feet.

$GHG_{i,g}$ = Mole fraction of GHGi in the vent gas for measured manifolded group of compressor sources g; use the appropriate gas compositions in paragraph (u)(2) of this section.

(10) *Method for calculating volumetric GHG emissions from wet seal oil degassing vents at an onshore petroleum and natural gas production facility.* You must calculate emissions from centrifugal compressor wet seal oil degassing vents at an onshore petroleum and natural gas production facility using Equation W–25 of this section.

$$E_{s,i} = Count * EF_{i,s} \quad \text{(Eq. W-25)}$$

Where:

$E_{s,i}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions from centrifugal compressor wet seals, at standard conditions, in cubic feet.

Count = Total number of centrifugal compressors that have wet seal oil degassing vents.

$EF_{i,s}$ = Emission factor for GHGi. Use 1.2 × 107 standard cubic feet per year per compressor for $CH_4$ and 5.30 × 105 standard cubic feet per year per compressor for $CO_2$ at 60 °F and 14.7 psia.

(11) *Method for converting from volumetric to mass emissions.* You must calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions using calculations in paragraph (v) of this section.

(12) *General requirements for calculating volumetric GHG emissions from centrifugal compressors routed to flares.* You must calculate and report emissions from all centrifugal compressor sources that are routed to a flare as specified in paragraphs (o)(12)(i) through (o)(12)(iii) of this section.

(i) Emissions calculations under this paragraph (o) of this section are not required for compressor sources that are routed to a flare.

(ii) If any compressor sources are routed to a flare, calculate the emissions for the flare stack as specified in paragraph (n) of this section and report emissions from the flare as specified in § 98.236(n), without subtracting emissions attributable to compressor sources from the flare.

(iii) Report all applicable activity data for compressors with compressor sources routed to flares as specified in § 98.236(o).

(p) *Reciprocating compressor venting.* If you are required to report emissions from reciprocating compressor venting as specified in § 98.232(d)(1), (e)(1), (f)(1), (g)(1), and (h)(1), you must conduct volumetric emission measurements specified in paragraph (p)(1) of this section using methods specified in paragraphs (p)(2) through (p)(5) of this section; perform calculations specified in paragraphs (p)(6) through (p)(9) of this section; and calculate $CH_4$ and $CO_2$ mass emissions as specified in paragraph (p)(11) of this section. If emissions from a compressor source are routed to a flare, paragraphs (p)(1) through (p)(11) of this section do not apply and instead you must calculate $CH_4$, $CO_2$, and $N_2O$ emissions as specified in paragraph (p)(12) of this section. If emissions from a compressor source are captured for fuel use or are routed to a thermal oxidizer, paragraphs (p)(1) through (p)(12) of this section do not apply and instead you must calculate and report emissions as specified in subpart C of this part. If emissions from a compressor source are routed to vapor recovery, the calculations specified in paragraphs (p)(1) through (p)(12) of this section do not apply. If you are required to report emissions from reciprocating compressor venting at an onshore petroleum and natural gas production facility as specified in § 98.232(c)(11), you must calculate volumetric emissions as specified in paragraph (p)(10) of this section; and calculate $CH_4$ and $CO_2$ mass emissions as specified in paragraph (p)(11) of this section.

(1) *General requirements for conducting volumetric emission measurements.* You must conduct volumetric emission measurements on each reciprocating compressor as specified in this paragraph. Compressor sources (as defined in § 98.238) without manifolded vents must use a measurement method specified in paragraph (p)(1)(i) or (p)(1)(ii) of this section. Manifolded compressor sources (as defined in § 98.238) must use a measurement method specified in paragraph (p)(1)(i), (p)(1)(ii), (p)(1)(iii), or (p)(1)(iv) of this section.

(i) Reciprocating compressor source as found leak measurements. Measure venting from each compressor according to either paragraph (p)(1)(i)(A), (p)(1)(i)(B), or (p)(1)(i)(C) of this section at least once annually, based on the compressor mode (as defined in § 98.238) in which the compressor was found at the time of measurement, except as specified in paragraph (p)(1)(i)(D) of this section. If additional measurements beyond the required annual testing are performed (including duplicate measurements or measurement of additional operating modes), then all measurements satisfying the applicable monitoring and QA/QC that is required by this paragraph (o) must be used in the calculations specified in this section.

(A) For a compressor measured in operating-mode, you must measure volumetric emissions from blowdown valve leakage through the blowdown vent as specified in either paragraph (p)(2)(i)(A) or (p)(2)(i)(B) of this section, and measure volumetric emissions from reciprocating rod packing as specified in paragraph (p)(2)(ii) of this section.

(B) For a compressor measured in standby-pressurized-mode, you must measure volumetric emissions from blowdown valve leakage through the blowdown vent as specified in either paragraph (p)(2)(i)(A) or (p)(2)(i)(B) of this section.

(C) For a compressor measured in not-operating-depressurized-mode, you must measure volumetric emissions from isolation valve leakage as specified in either paragraph (p)(2)(i)(A), (p)(2)(i)(B), or (p)(2)(i)(C) of this section. If a compressor is not operated and has blind flanges in place throughout the reporting period, measurement is not required in this compressor mode.

(D) You must measure the compressor as specified in paragraph (p)(1)(i)(C) of this section at least once in any three consecutive calendar years, provided the measurement can be taken during a scheduled shutdown. If there is no scheduled shutdown within three consecutive calendar years, you must measure the compressor as specified in paragraph (p)(1)(i)(C) of this section either prior to or during the next compressor shutdown when the replacement of the compressor rod packing occurs.

(ii) Reciprocating compressor source continuous monitoring. Instead of measuring the compressor source according to paragraph (p)(1)(i) of this section for a given compressor, you may elect to continuously measure volumetric emissions from a compressor source as specified in paragraph (p)(3) of this section.

(iii) Manifolded reciprocating compressor source as found leak measurements. For a compressor source that is part of a manifolded group of compressor sources (as defined in § 98.238), instead of measuring the compressor source according to paragraph (p)(1)(i), (p)(1)(ii), or (p)(1)(iv) of this section, you may elect to measure combined volumetric emissions from the manifolded group of compressor sources by conducting leak measurements at the common vent stack as specified in paragraph (p)(4) of this section. The leak measurements must be conducted at the frequency specified in paragraphs (p)(1)(iii)(A) through (p)(1)(iii)(C) of this section.

(A) A minimum of three leak measurements must be taken for each manifolded group of compressor sources in a calendar year.

(B) The leak measurements may be performed while the compressors are in any compressor mode.

(C) The three required leak measurements must be separated by a minimum of 60 days. If more than three leak measurements are performed, the first and last measurements in a calendar year must be separated by a minimum of 120 days.

(iv) Manifolded reciprocating compressor source continuous monitoring. For a compressor source that is part of a manifolded group of compressor sources, instead of measuring the compressor source according to paragraph (p)(1)(i), (p)(1)(ii), or (p)(1)(iii) of this section, you may elect to continuously measure combined volumetric emissions from the manifolded group of compressors sources as specified in paragraph (p)(5) of this section.

(2) *Methods for performing as found leak measurements from individual reciprocating compressor sources.* If conducting leak measurements for each compressor source, you must determine the volumetric emissions of leaks from blowdown valves and isolation valves as specified in paragraph (p)(2)(i) of this section. You must determine the volumetric emissions of leaks from reciprocating rod packing as specified in paragraph (p)(2)(ii) or (p)(2)(iii) of this section.

(i) For blowdown valves on compressors in operating-mode or standby-pressurized-mode, and for isolation valves on compressors in not-operating-depressurized-mode, determine the volumetric emissions of leaks using one of the methods specified in paragraphs (p)(2)(i)(A) through (p)(2)(i)(C) of this section.

(A) Measure the volumetric flow at standard conditions from the blowdown vent using calibrated bagging or high volume sampler according to methods set forth in § 98.234(c) and § 98.234(d), respectively.

(B) Measure the volumetric flow at standard conditions from the blowdown vent using a temporary meter such as a vane anemometer, according to methods set forth in § 98.234(b).

(C) For isolation valves, you may use an acoustic leak detection device according to methods set forth in § 98.234(a) instead of measuring the isolation valve leakage through the blowdown vent as provided for in paragraphs (p)(2)(i)(A) or (p)(2)(i)(B) of this section.

(ii) For reciprocating rod packing equipped with an open-ended vent line on compressors in operating-mode, determine the volumetric emissions of leaks using one of the methods specified in paragraphs (p)(2)(ii)(A) and (p)(2)(ii)(B) of this section.

(A) Measure the volumetric flow at standard conditions from the open-ended vent line using calibrated bagging or high volume sampler according to methods set forth in § 98.234(c) and § 98.234(d), respectively.

(B) Measure the volumetric flow at standard conditions from the open-ended vent line using a temporary meter such as a vane anemometer, according to methods set forth in § 98.234(b).

(iii) For reciprocating rod packing not equipped with an open-ended vent line on compressors in operating-mode, you must determine the volumetric emissions of leaks using the method specified in paragraphs (p)(2)(iii)(A) and (p)(2)(iii)(B) of this section.

(A) You must use the methods described in § 98.234(a) to conduct annual leak detection of equipment leaks from the packing case into an open distance piece, or from the compressor crank case breather cap or other vent with a closed distance piece.

(B) You must measure emissions found in paragraph (p)(2)(iii)(A) of this section using an appropriate meter, calibrated bag, or high volume sampler according to methods set forth in § 98.234(b), (c), and (d), respectively.

(3) *Methods for continuous leak measurement from individual reciprocating compressor sources.* If you elect to conduct continuous volumetric emission measurements for an individual compressor source as specified in paragraph (p)(1)(ii) of this section, you must measure volumetric emissions as specified in paragraphs (p)(3)(i) and (p)(3)(ii) of this section.

(i) Continuously measure the volumetric flow for the individual compressor sources at standard conditions using a permanent meter according to methods set forth in § 98.234(b).

(ii) If compressor blowdown emissions are included in the metered emissions specified in paragraph (p)(3)(i) of this section, the compressor blowdown emissions may be included with the reported emissions for the compressor source and do not need to be calculated separately using the method specified in paragraph (i) of this section for blowdown vent stacks.

(4) *Methods for performing as found leak measurements from manifolded groups of reciprocating compressor sources.* If conducting leak measurements for a manifolded group of compressor sources, you must measure volumetric emissions of leaks as specified in paragraphs (p)(4)(i) and (p)(4)(ii) of this section.

(i) Measure at a single point in the manifold downstream of all compressor inputs and where emissions cannot be comingled with other non-compressor emission sources.

(ii) Determine the volumetric flow at standard conditions from the common stack using one of the methods specified in paragraph (p)(4)(ii)(A) through (p)(4)(ii)(C).

(A) A temporary meter such as a vane anemometer according the methods set forth in § 98.234(b).

(B) Calibrated bagging according to methods set forth in § 98.234(c).

(C) A high volume sampler according to methods set forth § 98.234(d).

(5) *Methods for continuous leak measurement from manifolded groups of reciprocating compressor sources.* If you elect to conduct continuous volumetric emission measurements for a manifolded group of compressor sources as specified in paragraph (p)(1)(iv) of this section, you must measure volumetric emissions as specified in paragraphs (p)(5)(i) through (p)(5)(iii) of this section.

(i) Measure at a single point in the manifold downstream of all compressor inputs and where emissions cannot be comingled with other non-compressor emission sources.

(ii) Continuously measure the volumetric flow for the manifolded group of compressor sources at standard conditions using a permanent meter according to methods set forth in § 98.234(b).

(iii) If compressor blowdown emissions are included in the metered emissions specified in paragraph (p)(5)(ii) of this section, the compressor blowdown emissions may be included with the reported emissions for the manifolded group of compressor sources and do not need to be calculated separately using the method specified in paragraph (i) of this section for blowdown vent stacks.

(6) *Method for calculating volumetric GHG emissions from as found leak measurements for individual reciprocating compressor sources.* For compressor sources measured according to paragraph (p)(1)(i) of this section, you must calculate GHG emissions from the compressor sources as specified in paragraphs (p)(6)(i) through (p)(6)(iv) of this section.

(i) Using Equation W–26 of this section, calculate the annual volumetric GHG emissions for each reciprocating compressor mode-source combination specified in paragraphs (p)(1)(i)(A) through (p)(1)(i)(C) of this section that was measured during the reporting year.

$$E_{s,i,m} = MT_{s,m} * T_m * GHG_{i,m} \qquad \text{(Eq. W-26)}$$

Where:

$E_{s,i,m}$ = Annual volumetric GHGi (either $CH_4$ or $CO_2$) emissions for measured compressor mode-source combination m, at standard conditions, in cubic feet.

$MT_{s,m}$ = Volumetric gas emissions for measured compressor mode-source combination m, in standard cubic feet

per hour, measured according to paragraph (p)(2) of this section. If multiple measurements are performed for a given mode-source combination m, use the average of all measurements.

$T_m$ = Total time the compressor is in the mode-source combination m, for which $E_{s,i,m}$ is being calculated in the reporting year, in hours.

$GHG_{i,m}$ = Mole fraction of $GHG_i$ in the vent gas for measured compressor mode-source combination m; use the appropriate gas compositions in paragraph (u)(2) of this section.

m = Compressor mode-source combination specified in paragraph (p)(1)(i)(A), (p)(1)(i)(B), or (p)(1)(i)(C) of this section that was measured for the reporting year.

(ii) Using Equation W–27 of this section, calculate the annual volumetric GHG emissions from each reciprocating compressor mode-source combination specified in paragraph (p)(1)(i)(A), (p)(1)(i)(B), and (p)(1)(i)(C) of this section that was not measured during the reporting year.

$$E_{s,i,m} = EF_{m,s} * T_m * GHG_{i,m} \quad \text{(Eq. W-27)}$$

Where:

$E_{s,i,m}$ = Annual volumetric $GHG_i$ (either $CH_4$ or $CO_2$) emissions for unmeasured compressor mode-source combination m, at standard conditions, in cubic feet.

$EF_{m,s}$ = Reporter emission factor for compressor mode-source combination m, in standard cubic feet per hour, as calculated in paragraph (p)(6)(iii) of this section.

$T_m$ = Total time the compressor was in the unmeasured mode-source combination m, for which $E_{s,i,m}$ is being calculated in the reporting year, in hours.

$GHG_{i,m}$ = Mole fraction of $GHG_i$ in the vent gas for unmeasured compressor mode-source combination m; use the appropriate gas compositions in paragraph (u)(2) of this section.

m = Compressor mode-source combination specified in paragraph (p)(1)(i)(A), (p)(1)(i)(B), or (p)(1)(i)(C) of this section that was not measured in the reporting year.

(iii) Using Equation W–28 of this section, develop an emission factor for each compressor mode-source combination specified in paragraph (p)(1)(i)(A), (p)(1)(i)(B), and (p)(1)(i)(C) of this section. These emission factors must be used in Equation W–27 of this section to determine volumetric emissions from a reciprocating compressor in the mode-source combinations that were not measured in the reporting year.

$$EF_{m,s} = \frac{\sum_{p=1}^{Count_m} MT_{m,p,s}}{Count_m} \quad \text{(Eq. W-28)}$$

Where:

$EF_{m,s}$ = Reporter emission factor to be used in Equation W–27 of this section for compressor mode-source combination m, in standard cubic feet per hour. The reporter emission factor must be based on all compressors measured in compressor mode-source combination m in the current reporting year and the preceding two reporting years.

$MT_{m,p,s}$ = Average volumetric gas emission measurement for compressor mode-source combination m, for compressor p, in standard cubic feet per hour, calculated using all volumetric gas emission measurements (MTm in Equation W–26 of this section) for compressor mode-source combination m for compressor p in the current reporting year and the preceding two reporting years.

$Count_m$ = Total number of compressors measured in compressor mode-source combination m in the current reporting year and the preceding two reporting years.

m = Compressor mode-source combination specified in paragraph (p)(1)(i)(A), (p)(1)(i)(B), or (p)(1)(i)(C) of this section.

(A) Emission factors must be calculated annually for each compressor mode-source combination specified in paragraph ((p)(1)(i)(A), (p)(1)(i)(B), and (p)(1)(i)(C) of this section.

(B) You must combine emissions for blowdown vents, measured in the operating and standby-pressurized modes.

(iv) The reporter emission factor in Equation W–28 of this section may be calculated by using all measurements from a single owner or operator instead of only using measurements from a single facility. If you elect to use this option, the reporter emission factor must be applied to all reporting facilities for the owner or operator.

(7) *Method for calculating volumetric GHG emissions from continuous monitoring of individual reciprocating compressor sources.* For compressor sources measured according to paragraph (p)(1)(ii) of this section, you must use the continuous volumetric emission measurements taken as specified in paragraph (p)(3) of this section and calculate annual volumetric GHG emissions associated with the compressor source using Equation W–29A of this section.

$$E_{s,i,v} = Q_{s,v} * GHG_{i,v} \quad \text{(Eq. W-29A)}$$

Where:

$E_{s,i,v}$ = Annual volumetric $GHG_i$ (either $CH_4$ or $CO_2$) emissions from compressor source v, at standard conditions, in cubic feet.

$Q_{s,v}$ = Volumetric gas emissions from compressor source v, for reporting year, in standard cubic feet.

$GHG_{i,v}$ = Mole fraction of $GHG_i$ in the vent gas for compressor source v; use the appropriate gas compositions in paragraph (u)(2) of this section.

(8) *Method for calculating volumetric GHG emissions from as found leak measurements of manifolded groups of reciprocating compressor sources.* For manifolded groups of compressor sources measured according to paragraph (p)(1)(iii) of this section, you must calculate annual GHG emissions using Equation W–29B of this section.

$$E_{s,i,g} = 8760 * MT_{g,avg} * GHG_{i,g} \quad \text{(Eq. W-29B)}$$

Where:

$E_{s,i,g}$ = Annual volumetric $GHG_i$ (either $CH_4$ or $CO_2$) emissions for manifolded group of compressor sources g, at standard conditions, in cubic feet.

$MT_{g,avg}$ = Average volumetric gas emissions of all measurements performed in the reporting year according to paragraph (p)(4) of this section for the manifolded group of compressor sources g, in standard cubic feet per hour.

$GHG_{i,g}$ = Mole fraction of $GHG_i$ in the vent gas for manifolded group of compressor sources g; use the appropriate gas compositions in paragraph (u)(2) of this section.

(9) *Method for calculating volumetric GHG emissions from continuous monitoring of manifolded group of reciprocating compressor sources.* For a manifolded group of compressor sources measured according to paragraph (p)(1)(iv) of this section, you must use the continuous volumetric emission measurements taken as specified in paragraph (p)(5) of this section and calculate annual volumetric GHG emissions associated with each manifolded group of compressor sources using Equation W–29C of this section. If the reciprocating compressors included in the manifolded group of compressor sources share the manifold with centrifugal compressors, you must follow the procedures in either this paragraph (p)(9) or paragraph (o)(9) of this section to calculate emissions from the manifolded group of compressor sources.

$$E_{s,i,g} = Q_{s,g} * GHG_{i,g} \quad \text{(Eq. W-29C)}$$

Where:

$E_{s,i,g}$ = Annual volumetric $GHG_i$ (either $CH_4$ or $CO_2$) emissions from manifolded group of compressor sources g, at standard conditions, in cubic feet.

$Q_{s,g}$ = Volumetric gas emissions from manifolded group of compressor sources g, for reporting year, in standard cubic feet.

$GHG_{i,g}$ = Mole fraction of $GHG_i$ in the vent gas for measured manifolded group of compressor sources g; use the appropriate gas compositions in paragraph (u)(2) of this section.

(10) *Method for calculating volumetric GHG emissions from reciprocating compressor venting at an onshore petroleum and natural gas production facility.* You must calculate emissions from reciprocating compressor venting at an onshore petroleum and natural gas production facility using Equation W–29D of this section.

$$E_{s,i} = Count * EF_{i,s} \quad \text{(Eq. W-29D)}$$

Where:

$E_{s,i}$ = Annual volumetric $GHG_i$ (either $CH_4$ or $CO_2$) emissions from reciprocating compressors, at standard conditions, in cubic feet.

Count = Total number of reciprocating compressors.

$EF_{i,s}$ = Emission factor for $GHG_i$. Use $9.48 \times 10^3$ standard cubic feet per year per compressor for $CH_4$ and $5.27 \times 10^2$ standard cubic feet per year per compressor for $CO_2$ at 60 °F and 14.7 psia.

(11) *Method for converting from volumetric to mass emissions.* You must calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions using calculations in paragraph (v) of this section.

(12) *General requirements for calculating volumetric GHG emissions from reciprocating compressors routed to flares.* You must calculate and report emissions from all reciprocating compressor sources that are routed to a flare as specified in paragraphs (p)(12)(i) through (p)(12)(iii) of this section.

(i) Emissions calculations under this paragraph (p) of this section are not required for compressor sources that are routed to a flare.

(ii) If any compressor sources are routed to a flare, calculate the emissions for the flare stack as specified in paragraph (n) of this section and report emissions from the flare as specified in § 98.236(n), without subtracting emissions attributable to compressor sources from the flare.

(iii) Report all applicable activity data for compressors with compressor sources routed to flares as specified in § 98.236(p).

(q) *Equipment leak surveys.* You must use the methods described in § 98.234(a) to conduct leak detection(s) of equipment leaks from all component types listed in § 98.232(d)(7), (e)(7), (f)(5), (g)(3), (h)(4), and (i)(1). This paragraph (q) applies to component types in streams with gas content greater than 10 percent $CH_4$ plus $CO_2$ by weight. Component types in streams with gas content less than or equal to 10 percent $CH_4$ plus $CO_2$ by weight are exempt from the requirements of this paragraph (q) and do not need to be reported. Tubing systems equal to or less than one half inch diameter are exempt from the requirements of this paragraph (q) and do not need to be reported. For industry segments listed in § 98.230(a)(3) through (a)(8), if equipment leaks are detected for component types listed in this paragraph (q), then you must calculate equipment leak emissions per component type per reporting facility using Equations W–30 of this section. For the industry segment listed in § 98.230(a)(8), the results from Equation W–30 are used to calculate population emission factors on a meter/regulator run basis using Equation W–31 of this section.

$$E_{s,p,i} = GHG_i * EF_{s,p} * \sum_{z=1}^{x_p} T_{p,z} \quad \text{(Eq. W-30)}$$

Where:

$E_{s,p,i}$ = Annual total volumetric emissions of $GHG_i$ from specific component type ''p'' (listed in § 98.232(d)(7), (e)(7), (f)(5), (g)(3), (h)(4), and (i)(1)) in standard (''s'')

cubic feet, as specified in paragraphs (q)(1) through (q)(8) of this section.

$x_p$ = Total number of specific component type ''p'' detected as leaking during annual leak surveys.

$EF_{s,p}$ = Leaker emission factor for specific component types listed in Table W–2 through Table W–7 of this subpart.

$GHG_i$ = For onshore natural gas processing facilities, concentration of $GHG_i$, $CH_4$ or $CO_2$, in the total hydrocarbon of the feed natural gas; for onshore natural gas transmission compression and underground natural gas storage, $GHG_i$ equals 0.975 for $CH_4$ and $1.1 \times 10^{-2}$ for $CO_2$ ; for LNG storage and LNG import and export equipment, $GHG_i$ equals 1 for $CH_4$ and 0 for $CO_2$ ; and for natural gas distribution, $GHG_i$ equals 1 for $CH_4$ and $1.1 \times 10^{-2}$ $CO_2$.

$T_{p,z}$ = The total time the surveyed component ''z'', component type ''p'', was found leaking and operational, in hours. If one leak detection survey is conducted in the calendar year, assume the component was leaking for the entire calendar year, accounting for time the component was not operational (i.e. not operating under pressure) using engineering estimate based on best available data. If multiple leak detection surveys are conducted in the calendar year, assume that the component found to be leaking has been leaking since the previous survey (if not found leaking in the previous survey) or the beginning of the calendar year (if it was found leaking in the previous survey), accounting for time the component was not operational using engineering estimate based on best available data. For the last leak detection survey in the calendar year, assume that all leaking components continue to leak until the end of the calendar year, accounting for time the component was not operational using engineering estimate based on best available data.

(1) You must conduct either one leak detection survey in a calendar year or multiple complete leak detection surveys in a calendar year. The leak detection surveys selected must be conducted during the calendar year.

(2) Calculate both $CO_2$ and $CH_4$ mass emissions using calculations in paragraph (v) of this section.

(3) Onshore natural gas processing facilities must use the appropriate default total hydrocarbon leaker emission factors for compressor components in gas service and non-compressor components in gas service listed in Table W–2 of this subpart.

(4) Onshore natural gas transmission compression facilities must use the appropriate default total hydrocarbon leaker emission factors for compressor components in gas service and non-compressor components in gas service listed in Table W–3 of this subpart.

(5) Underground natural gas storage facilities must use the appropriate default total hydrocarbon leaker emission factors for storage stations in gas service listed in Table W–4 of this subpart.

(6) LNG storage facilities must use the appropriate default methane leaker emission factors for LNG storage components in gas service listed in Table W–5 of this subpart.

(7) LNG import and export facilities must use the appropriate default methane leaker emission factors for LNG terminals components in LNG service listed in Table W–6 of this subpart.

(8) Natural gas distribution facilities must use Equation W–30 of this section and the default methane leaker emission factors for transmission-distribution transfer station components in gas service listed in Table W–7 of this subpart to calculate component emissions from annual equipment leak surveys conducted at above grade transmission-distribution transfer stations. Natural gas distribution facilities are required to perform equipment leak surveys only at above grade stations that qualify as transmission-distribution transfer stations. Below grade transmission-distribution transfer stations and all metering-regulating stations that do not meet the definition of transmission-distribution transfer stations are not required to perform equipment leak surveys under this section.

(i) Natural gas distribution facilities may choose to conduct equipment leak surveys at all above grade transmission-distribution transfer stations over multiple years, not exceeding a five year period to cover all above grade transmission-distribution transfer stations. If the facility chooses to use the multiple year option, then the number of transmission-distribution transfer stations that are monitored in each year should be approximately equal across all years in the cycle.

(ii) Use Equation W–31 to determine the meter/regulator run population emission factors for each $GHG_i$. The meter/regulator run population emission factors calculated using Equation W–31 must be used in Equation W–32B of this section to estimate emissions from above grade metering-regulating stations that are not transmission-distribution transfer stations. As additional survey data become available, you must recalculate the meter/regulator run population emission factors for each $GHG_i$ annually according to paragraph (q)(8)(iii) of this section.

$$EF_{s,MR,i} = \frac{\sum_{y=1}^{n}\sum_{p=1}^{7} E_{s,p,i,y}}{\sum_{y=1}^{n}\sum_{w=1}^{Count_{MR,y}} T_{w,y}} \quad \text{(Eq. W-31)}$$

Where:

$EF_{s,MR,i}$ = Meter/regulator run population emission factor for $GHG_i$ based on all surveyed above grade transmission-distribution transfer stations over ''n'' years, in standard cubic feet of $GHG_i$ per operational hour of all meter/regulator runs.

$E_{s,p,i,y}$ = Annual total volumetric emissions at standard conditions of $GHG_i$ from component type ''p'' during year ''y'' in standard (''s'') cubic feet, as calculated using Equation W–30 of this section.

p = Seven component types listed in Table W–7 of this subpart for transmission-distribution transfer stations.

$T_{w,y}$ = The total time the surveyed meter/regulator run ''w'' was operational, in hours during survey year ''y'' using engineering estimate based on best available data.

$Count_{MR,y}$ = Count of meter/regulator runs surveyed at above grade transmission-distribution transfer stations in year ''y''.

y = Year of data included in emission factor ''$EF_{s,MR,i}$'' according to paragraph (q)(8)(iii) of this section.

n = Number of years of data used to calculate emission factor ''$EF_{s,MR,i}$'' according to paragraph (q)(8)(iii) of this section.

(iii) The emission factor ''$EF_{s,MR,i}$'', based on annual equipment leak surveys at above grade transmission-distribution transfer stations, must be calculated annually. If the facility has submitted a smaller number of annual reports than the duration of the selected cycle period (up to 5 years), then all available data from the current year and previous years must be used in the emission

calculation. After the first cycle is completed, the survey will continue on a rolling basis by including the measurements from the current calendar year and as many of the previous calendar years as are needed to complete the survey cycle.

(r) *Equipment leaks by population count.* This paragraph applies to emissions sources listed in § 98.232 (c)(21), (f)(5), (g)(3), (h)(4), (i)(2), (i)(3), (i)(4), (i)(5), and (i)(6) on streams with gas content greater than 10 percent $CH_4$ plus $CO_2$ by weight. Emissions sources in streams with gas content less than or equal to 10 percent $CH_4$ plus $CO_2$ by weight are exempt from the requirements of this paragraph (q) do not need to be reported. Tubing systems equal to or less than one half inch diameter are exempt from the requirements of paragraph (r) of this section and do not need to be reported. You must calculate emissions from all emission sources listed in this paragraph using Equation W–32A of this section, except for natural gas distribution facility emission sources listed in § 98.232(i)(3). Natural gas distribution facility emission sources listed in § 98.232(i)(3) must calculate emissions using Equation W–32B and according to paragraph (r)(6) of this section.

$$E_{s,e,i} = Count_e * EF_{s,e} * GHG_i * T_e \quad \text{(Eq. W-32A)}$$

$$E_{s,MR,i} = Count_{MR} * EF_{s,MR,i} * T_{w,avg} \quad \text{(Eq. W-32B)}$$

Where:

$E_{s,e,i}$ = Annual volumetric emissions of $GHG_i$ from the emission source type in standard cubic feet. The emission source type may be a component (e.g. connector, open-ended line, etc.), below grade metering-regulating station, below grade transmission-distribution transfer station, distribution main, or distribution service.

$E_{s,MR,i}$ = Annual volumetric emissions of $GHG_i$ from all meter/regulator runs at above grade metering regulating stations that are not above grade transmission distribution transfer stations, in standard cubic feet.

$Count_e$ = Total number of the emission source type at the facility. For onshore petroleum and natural gas production facilities, average component counts are provided by major equipment piece in Tables W–1B and Table W–1C of this subpart. Use average component counts as appropriate for operations in Eastern and Western U.S., according to Table W–1D of this subpart. Underground natural gas storage facilities must count each component listed in Table W–4 of this subpart. LNG storage facilities must count the number of vapor recovery compressors. LNG import and export facilities must count the number of vapor recovery compressors. Natural gas distribution facilities must count: (1) The number of distribution services by material type; (2) miles of distribution mains by material type; and (3) number of below grade metering-regulating stations, by pressure type; as listed in Table W–7 of this subpart.

CountMR = Total number of meter/regulator runs at above grade metering-regulating stations that are not above grade transmission-distribution transfer stations.

$EF_{s,e}$ = Population emission factor for the specific emission source type, as listed in Tables W–1A and W–4 through W–7 of this subpart. Use appropriate population emission factor for operations in Eastern and Western U.S., according to Table W–1D of this subpart.

$EF_{s,MR,i}$ = Meter/regulator run population emission factor for $GHG_i$ based on all surveyed above grade transmission-distribution transfer stations over ''n'' years, in standard cubic feet of $GHG_i$ per operational hour of all meter/regulator runs., as determined in Equation W–31.

$GHG_i$ = For onshore petroleum and natural gas production facilities, concentration of $GHG_i$, $CH_4$, or $CO_2$, in produced natural gas as defined in paragraph (u)(2) of this section; for onshore natural gas transmission compression and underground natural gas storage, $GHG_i$ equals 0.975 for $CH_4$ and $1.1 \times 10^{-2}$ for $CO_2$; for LNG storage and LNG import and export equipment, $GHG_i$ equals 1 for $CH_4$ and 0 for $CO_2$; and for natural gas distribution, $GHG_i$ equals 1 for $CH_4$ and $1.1 \times 10^{-2} CO_2$.

$T_e$ = Average estimated time that each emission source type associated with the equipment leak emission was operational in the calendar year, in hours, using engineering estimate based on best available data.

$T_{w,avg}$ = Average estimated time that each meter/regulator run was operational in the calendar year, in hours per meter/regulator run, using engineering estimate based on best available data.

(1) Calculate both $CH_4$ and $CO_2$ mass emissions from volumetric emissions using calculations in paragraph (v) of this section.

(2) Onshore petroleum and natural gas production facilities must use the appropriate default whole gas population emission factors listed in Table W–1A of this subpart. Major equipment and components associated with gas wells are considered gas service components in reference to Table W–1A of this subpart and major natural gas equipment in reference to Table W–1B of this subpart. Major equipment and components associated with crude oil wells are considered crude service components in reference to Table W–1A of this subpart and major crude oil equipment in reference to Table W–1C of this subpart. Where facilities conduct EOR operations the emissions factor listed in Table W–1A of this subpart shall be used to estimate all streams of gases, including recycle $CO_2$ stream. The component count can be determined using either of the calculation methods described in this paragraph (r)(2). The same calculation method must be used for the entire calendar year.

(i) *Component Count Method 1.* For all onshore petroleum and natural gas production operations in the facility perform the following activities:

(A) Count all major equipment listed in Table W–1B and Table W–1C of this subpart. For meters/piping, use one meters/piping per well-pad.

(B) Multiply major equipment counts by the average component counts listed in Table W–1B and W–1C of this subpart for onshore natural gas production and onshore oil production, respectively. Use the appropriate factor in Table W–1A of this subpart for operations in Eastern and Western U.S. according to the mapping in Table W–1D of this subpart.

(ii) *Component Count Method 2.* Count each component individually for the facility. Use the appropriate factor in Table W–1A of this subpart for operations in Eastern and Western U.S. according to the mapping in Table W–1D of this subpart.

(3) Underground natural gas storage facilities must use the appropriate default total hydrocarbon population emission factors for storage wellheads in gas service listed in Table W–4 of this subpart.

(4) LNG storage facilities must use the appropriate default methane population emission factor for LNG storage compressors in gas service listed in Table W–5 of this subpart.

(5) LNG import and export facilities must use the appropriate default methane population emission factor for LNG terminal compressors in gas service listed in Table W–6 of this subpart.

(6) Natural gas distribution facilities must use the appropriate methane emission factors as described in paragraph (r)(6) of this section.

(i) Below grade metering-regulating stations, distribution mains, and distribution services must use the appropriate default methane population emission factors listed in Table W–7 of this subpart. Below grade transmission-distribution transfer stations must use the emission factor for below grade metering-regulating stations.

(ii) Above grade metering-regulating stations (that are not above grade transmission-distribution transfer stations) must use the meter/regulator run population emission factor calculated in Equation W–31. Natural gas distribution facilities that do not have above grade transmission-distribution transfer stations are not required to calculate emissions for above grade metering-regulating stations.

(s) * * *

(2) Offshore production facilities that are not under BOEMRE jurisdiction must use the most recent monitoring methods and calculation methods published by BOEMRE referenced in 30 CFR 250.302 through 304 to calculate and report annual emissions (GOADS).

(i) For any calendar year that does not overlap with the most recent BOEMRE emissions study publication, you may report the most recently reported emissions data submitted to demonstrate compliance with this subpart of part 98, with emissions adjusted based on the operating time for the facility relative to operating time in the previous reporting period.

* * * * *

(3) If BOEMRE discontinues or delays their data collection effort by more than 4 years, then offshore reporters shall once in every 4 years use the most recent BOEMRE data collection and emissions estimation methods to estimate emissions. These emission estimates would be used to report emissions from the facility sources as required in paragraph (s)(1)(i) of this section.

(4) For either first or subsequent year reporting, offshore facilities either within or outside of BOEMRE jurisdiction that were not covered in the previous BOEMRE data collection cycle must use the most recent BOEMRE data collection and emissions estimation methods published by BOEMRE referenced in 30 CFR 250.302 through 304 to calculate and report emissions.

(t) *GHG volumetric emissions using actual conditions.* If equation parameters in § 98.233 are already at standard conditions, which results in volumetric emissions at standard conditions, then this paragraph does not apply. Calculate volumetric emissions at standard conditions as specified in paragraphs (t)(1) or (2) of this section, with actual pressure and temperature determined by engineering estimates based on best available data unless otherwise specified.

(1) * * *

$$E_{s,n} = \frac{E_{a,n} * (459.67 + T_s) * P_a}{(459.67 + T_a) * P_s * Z_a} \quad \text{(Eq. W-33)}$$

* * * * *

Za = Compressibility factor at actual conditions for natural gas. You may use 1 if the temperature is above -10 degrees Fahrenheit and pressure is below 5 atmospheres, or if the compressibility factor at the actual temperature and pressure is 0.98 or greater.

(2) * * *

$$E_{s,i} = \frac{E_{a,i} * (459.67 + T_s) * P_a}{(459.67 + T_a) * P_s * Z_a} \quad \text{(Eq. W-34)}$$

* * * * *

Za = Compressibility factor at actual conditions for GHG i. You may use 1 if the compressibility factor at the actual temperature and pressure is 0.98 or greater.

* * * * *

(u) *GHG volumetric emissions at standard conditions.* Calculate GHG volumetric emissions at standard conditions as specified in paragraphs (u)(1) and (2) of this section.

(2) * * *

(iii) *GHG mole fraction in transmission pipeline natural gas that passes through the facility for the onshore natural gas transmission compression industry segment.* You may use either a default 95 percent methane and 1 percent carbon dioxide fraction for GHG mole fraction in natural gas or site specific engineering estimates based on best available data.

* * * * *

(v) *GHG mole fraction in natural gas stored in the LNG storage industry segment.* You may use either a default 95 percent methane and 1 percent carbon dioxide fraction for GHG mole fraction in natural gas or site specific engineering estimates based on best available data.

(vi) *GHG mole fraction in natural gas stored in the LNG import and export industry segment.* For export facilities that receive gas from transmission pipelines, you may use either a default 95 percent methane and 1 percent carbon dioxide fraction for GHG mole fraction in natural gas or site specific engineering estimates based on best available data.

(vii) *GHG mole fraction in local distribution pipeline natural gas that passes through the facility for natural gas distribution facilities.* You may use a default 95 percent methane and 1 percent carbon dioxide fraction for GHG mole fraction in natural gas or site specific engineering estimates based on best available data.

(v) *GHG mass emissions.* Calculate GHG mass emissions in metric tons by converting the GHG volumetric emissions at standard conditions into mass emissions using Equation W–36 of this section.

$$Mass_i = E_{s,i} * \rho_i * 10^{-3} \quad \text{(Eq. W-36)}$$

Where:

$Mass_i$ = $GHG_i$ (either $CH_4$, $CO_2$, or $N_2O$) mass emissions in metric tons.

$E_{s,i}$ = $GHG_i$ (either $CH_4$, $CO_2$, or $N_2O$) volumetric emissions at standard conditions, in cubic feet.

$P_i$ = Density of $GHG_i$. Use 0.0526 kg/ft$^3$ for $CO_2$ and $N_2O$, and 0.0192 kg/ft$^3$ for $CH_4$ at 60 °F and 14.7 psia.

(w) *EOR injection pump blowdown.* Calculate $CO_2$ pump blowdown emissions from each EOR injection pump system as follows:

(1) Calculate the total injection pump system volume in cubic feet (including pipelines, manifolds and vessels) between isolation valves.

* * * * *

(3) Calculate the total annual $CO_2$ emissions from each EOR injection pump system using Equation W–37 of this section:

* * * * *

$Mass_{CO2}$ = Annual EOR injection pump system emissions in metric tons from blowdowns.

N = Number of blowdowns for the EOR injection pump system in the calendar year.

$V_v$ = Total volume in cubic feet of EOR injection pump system chambers (including pipelines, manifolds and vessels) between isolation valves.

* * * * *

(x) *EOR hydrocarbon liquids dissolved $CO_2$.* Calculate $CO_2$ emissions downstream of the storage tank from dissolved $CO_2$ in hydrocarbon liquids produced through EOR operations as follows:

(1) Determine the amount of $CO_2$ retained in hydrocarbon liquids after flashing in tankage at STP conditions. Annual samples of hydrocarbon liquids downstream of the storage tank must be taken according to methods set forth in § 98.234(b) to determine retention of $CO_2$ in hydrocarbon liquids immediately downstream of the storage tank. Use the annual analysis for the calendar year.

(2) * * *

* * * * *

$S_{hl}$ = Amount of $CO_2$ retained in hydrocarbon liquids downstream of the storage tank, in metric tons per barrel, under standard conditions.

* * * * *

(z) * * *

(1) If a fuel combusted in the stationary or portable equipment is listed in Table C–1 of subpart C of this part, or is a blend containing one or more fuels listed in Table C–1, calculate emissions according to paragraph (z)(1)(i) of this section. If the fuel combusted is natural gas and is of pipeline quality specification and has a minimum high heat value of 950 Btu per standard cubic foot, use the calculation method described in paragraph (z)(1)(i) of this section and you may use the emission factor provided for natural gas as listed in Table C–1. If the fuel is natural gas, and is not pipeline quality or has a high heat value of less than 950 Btu per standard cubic feet, calculate emissions according to paragraph (z)(2) of this section. If the fuel is field gas, process vent gas, or a blend containing field gas or process vent gas, calculate emissions according to paragraph (z)(2) of this section.

(i) For fuels listed in Table C–1 or a blend containing one or more fuels listed in Table C–1, calculate $CO_2$, $CH_4$, and $N_2O$ emissions according to any Tier listed in subpart C of this part. You must follow all applicable calculation requirements for that tier listed in § 98.33, any monitoring or QA/QC requirements listed for that tier in § 98.34, any missing data procedures specified in § 98.35, and any recordkeeping requirements specified in § 98.37.

(ii) Emissions from fuel combusted in stationary or portable equipment at onshore natural gas and petroleum production facilities and at natural gas distribution facilities will be reported according to the requirements specified in § 98.236(c)(19) and not according to the reporting requirements specified in subpart C of this part.

(2) * * *

(iii) * * *

* * * * *

$V_a$ = Volume of gas sent to combustion unit in actual cubic feet, during the year.

$Y_{CO2}$ = Mole fraction of $CO_2$ constituent in gas sent to combustion unit.

* * * * *

$Y_j$ = Mole fraction of gas hydrocarbon constituents j (such as methane, ethane, propane, butane, and pentanes plus) in gas sent to combustion unit.

* * * * *

$Y_{CH4}$ = Mole fraction of methane constituent in gas sent to combustion unit.

* * * * *

(vi) * * *

$$Mass_{N2O} = \left(1 \times 10^{-3}\right) \times Fuel \times HHV \times EF \qquad \text{(Eq. W-40)}$$

* * * * *

$MassN_2O$ = Annual $N_2O$ emissions from the combustion of a particular type of fuel (metric tons).

Fuel = Annual mass or volume of the fuel combusted (mass or volume per year, choose appropriately to be consistent with the units of HHV).

HHV = Higher heating value of fuel, mmBtu/unit of fuel (in units consistent with the fuel quantity combusted). For the higher heating value for field gas or process vent gas, use $1.235 \times 10^{-3}$ mmBtu/scf for HHV.

■ 6. Section 98.234 is amended by:

■ a. Revising paragraphs (a) introductory text and (d)(1);

■ b. Removing and reserving paragraph (f); and

■ c. Adding paragraph (h).

The revisions read as follows:

**§ 98.234 Monitoring and QA/QC requirements.**

* * * * *

(a) You must use any of the methods described as follows in this paragraph to conduct leak detection(s) of equipment leaks and through-valve leakage from all source types listed in § 98.233(k), (o), (p) and (q) that occur during a calendar year.

(d) * * *

(1) A technician following manufacturer instructions shall conduct measurements, including equipment manufacturer operating procedures and measurement methods relevant to using a high volume sampler, including positioning the instrument for complete capture of the equipment leak without creating backpressure on the source.

* * * * *

(h) For well venting for liquids unloading, if a monitoring period other than the full calendar year is used to determine the cumulative amount of time in hours of venting for each well (the term ''$T_p$'' in Equation W–7A and W–7B of § 98.233) or the number of unloading events per well (the term ''$V_p$'' in Equations W–8 and W–9 of § 98.233), then the monitoring period must begin before February 1 of the reporting year and must not end before December 1 of the reporting year. The end of one monitoring period must immediately precede the start of the next monitoring period for the next reporting year. All production days must be monitored and all venting accounted for.

■ 7. Section 98.235 is revised to read as follows:

**§ 98.235 Procedures for estimating missing data.**

Except as specified in § 98.233, whenever a value of a parameter is unavailable for a GHG emission calculation required by this subpart (including, but not limited to, if a measuring device malfunctions during unit operation, a required gas sample is not taken, or activity data are not collected), you must follow the procedures specified in paragraphs (a) through (h) of this section, as applicable.

(a) If you choose to take quarterly gas samples as allowed in § 98.233(d) in lieu of using a continuous gas analyzer, and there is a missing sample, you must substitute the average value of the last four samples for which data are available.

(b) If you did not conduct monitoring as specified in § 98.233(k) for a transmission storage tank(s), you must assume the vent stack(s) connected to the transmission storage tank(s) was leaking for the entire calendar year.

(c) For stationary and portable combustion sources that use the calculation methods of subpart C of this part, you must use the missing data procedures in subpart C of this part.

(d) For each missing value of a parameter that should have been measured using a continuous flow meter, composition analyzer, thermocouple, or pressure gauge, you must substitute the arithmetic average of the quality-assured values of that parameter immediately preceding and immediately following the missing data incident. If the ''after'' value is not obtained by the end of the reporting year, you may use the ''before'' value for the missing data substitution. If, for a particular parameter, no quality-assured data are available prior to the missing data incident, you must use the first quality-assured value obtained after the missing data period as the substitute data value. A value is quality-assured according to the procedures specified in § 98.234.

(e) For the first six months of required data collection, facilities that become newly subject to this subpart W may use best engineering estimates for any data that cannot reasonably be measured or obtained according to the requirements of this subpart.

(f) For the first six months of required data collection, facilities that are currently subject to this subpart W and that acquire new wells that were not previously subject to this subpart W may use best engineering estimates for any data related to those newly acquired wells that cannot reasonably be measured or obtained according to the requirements of this subpart.

(g) For each missing value of any activity data not described in this section, you must substitute data value(s) using the best available estimate(s) of the parameter(s), based on all available process data (including, but not limited to, processing rates, operating hours).

(h) You must report information for all measured and substitute values of a parameter, and the procedures used to substitute an unavailable value of a parameter per the requirements in § 98.236(bb).

■ 8. Section 98.236 is revised to read as follows:

**§ 98.236 Data reporting requirements.**

In addition to the information required by § 98.3(c), each annual report must contain reported emissions and related information as specified in this section.

(a) The annual report must include the information specified in paragraphs (a)(1) through (8) of this section for each applicable industry segment. The annual report must also include annual emissions totals, in metric tons of $CO_2e$ of each GHG, for each applicable industry segment listed in paragraphs (a)(1) through (a)(8) of this section, and each applicable emission source listed in paragraphs (b) through (z) of this section.

(1) Onshore petroleum and natural gas production. For the equipment/activities specified in paragraphs (a)(1)(i) through (a)(1)(xvii) of this section, report the information specified in the applicable paragraphs of this section.

(i) Natural gas pneumatic devices. Report the information specified in paragraph (b) of this section.

(ii) Natural gas driven pneumatic pumps. Report the information specified in paragraph (c) of this section.

(iii) Acid gas removal units. Report the information specified in paragraph (d) of this section.

(iv) Dehydrators. Report the information specified in paragraph (e) of this section.

(v) Liquids unloading. Report the information specified in paragraph (f) of this section.

(vi) Completions and workovers with hydraulic fracturing. Report the information specified in paragraph (g) of this section.

(vii) Completions and workovers without hydraulic fracturing. Report the information specified in paragraph (h) of this section.

(viii) Onshore production storage tanks. Report the information specified in paragraph (j) of this section.

(ix) Well testing. Report the information specified in paragraph (l) of this section.

(x) Associated natural gas. Report the information specified in paragraph (m) of this section.

(xi) Flare stacks. Report the information specified in paragraph (n) of this section.

(xii) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(xiii) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(xiv) Equipment leaks by population count. Report the information specified in paragraph (r) of this section.

(xv) EOR injection pumps. Report the information specified in paragraph (w) of this section.

(xvi) EOR hydrocarbon liquids. Report the information specified in paragraph (x) of this section.

(xvii) Combustion equipment. Report the information specified in paragraph (z) of this section.

(2) Offshore petroleum and natural gas production. Report the information specified in paragraph (s) of this section.

(3) Onshore natural gas processing. For the equipment/activities specified in paragraphs (a)(3)(i) through (a)(3)(vii) of this section, report the information specified in the applicable paragraphs of this section.

(i) Acid gas removal units. Report the information specified in paragraph (d) of this section.

(ii) Dehydrators. Report the information specified in paragraph (e) of this section.

(iii) Blowdown vent stacks. Report the information specified in paragraph (i) of this section.

(iv) Flare stacks. Report the information specified in paragraph (n) of this section.

(v) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(vi) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(vii) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(4) Onshore natural gas transmission compression. For the equipment/activities specified in paragraphs (a)(4)(i) through (a)(4)(vii) of this section, report the information specified in the applicable paragraphs of this section.

(i) Natural gas pneumatic devices. Report the information specified in paragraph (b) of this section.

(ii) Blowdown vent stacks. Report the information specified in paragraph (i) of this section.

(iii) Transmission storage tanks. Report the information specified in paragraph (k) of this section.

(iv) Flare stacks. Report the information specified in paragraph (n) of this section.

(v) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(vi) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(vii) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(5) Underground natural gas storage. For the equipment/activities specified in paragraphs (a)(5)(i) through (a)(5)(vi) of this section, report the information specified in the applicable paragraphs of this section.

(i) Natural gas pneumatic devices. Report the information specified in paragraph (b) of this section.

(ii) Flare stacks. Report the information specified in paragraph (n) of this section.

(iii) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(iv) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(v) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(vi) Equipment leaks by population count. Report the information specified in paragraph (r) of this section.

(6) LNG storage. For the equipment/activities specified in paragraphs (a)(6)(i) through (a)(6)(v) of this section, report the information specified in the applicable paragraphs of this section.

(i) Flare stacks. Report the information specified in paragraph (n) of this section.

(ii) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(iii) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(iv) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(v) Equipment leaks by population count. Report the information specified in paragraph (r) of this section.

(7) LNG import and export equipment. For the equipment/activities specified in paragraphs (a)(7)(i) through (a)(7)(vi) of this section, report the information specified in the applicable paragraphs of this section.

(i) Blowdown vent stacks. Report the information specified in paragraph (i) of this section.

(ii) Flare stacks. Report the information specified in paragraph (n) of this section.

(iii) Centrifugal compressors. Report the information specified in paragraph (o) of this section.

(iv) Reciprocating compressors. Report the information specified in paragraph (p) of this section.

(v) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(vi) Equipment leaks by population count. Report the information specified in paragraph (r) of this section.

(8) Natural gas distribution. For the equipment/activities specified in paragraphs (a)(8)(i) through (a)(8)(iii) of this section, report the information specified in the applicable paragraphs of this section.

(i) Combustion equipment. Report the information specified in paragraph (z) of this section.

(ii) Equipment leak surveys. Report the information specified in paragraph (q) of this section.

(iii) Equipment leaks by population count. Report the information specified in paragraph (r) of this section.

(b) *Natural gas pneumatic devices.* You must indicate whether the facility contains the following types of equipment: continuous high bleed natural gas pneumatic devices, continuous low bleed natural gas pneumatic devices, and intermittent bleed natural gas pneumatic devices. If the facility contains any continuous high bleed natural gas pneumatic devices, continuous low bleed natural gas pneumatic devices, or intermittent bleed natural gas pneumatic devices, then you must report the information specified in paragraphs (b)(1) through (b)(4) of this section.

(1) The number of natural gas pneumatic devices as specified in paragraphs (b)(1)(i) and (b)(1)(ii) of this section.

(i) The total number of devices, determined according to § 98.233(a)(1) and (a)(2).

(ii) If the reported value in paragraph (b)(1)(i) of this section is an estimated value determined according to § 98.233(a)(2), then you must report the information specified in paragraphs (b)(1)(ii)(A) through (b)(1)(ii)(C) of this section.

(A) The number of devices reported in paragraph (b)(1)(i) of this section that are counted.

(B) The number of devices reported in paragraph (b)(1)(i) of this section that are estimated (not counted).

(C) Whether the calendar year is the first calendar year of reporting or the second calendar year of reporting.

(2) Estimated average number of hours in the calendar year that the natural gas pneumatic devices reported in paragraph (b)(1)(i) of this section were operating in the calendar year (''Tt'' in Equation W–1 of this subpart).

(3) Annual $CO_2$ emissions, in metric tons $CO_2$, for the natural gas pneumatic devices combined, calculated using Equation W–1 of this subpart and § 98.233(a)(4), and reported in paragraph (b)(1)(i) of this section.

(4) Annual $CH_4$ emissions, in metric tons $CH_4$, for the natural gas pneumatic devices combined, calculated using Equation W–1 of this subpart and § 98.233(a)(4), and reported in paragraph (b)(1)(i) of this section.

(c) *Natural gas driven pneumatic pumps.* You must indicate whether the facility has any natural gas driven pneumatic pumps. If the facility contains any natural gas driven pneumatic pumps, then you must report the information specified in paragraphs (c)(1) through (c)(4) of this section.

(1) Count of natural gas driven pneumatic pumps.

(2) Average estimated number of hours in the calendar year the pumps were operational (''T'' in Equation W–2 of this subpart).

(3) Annual $CO_2$ emissions, in metric tons $CO_2$, for all natural gas driven pneumatic pumps combined, calculated according to § 98.233(c)(1) and (c)(2).

(4) Annual $CH_4$ emissions, in metric tons $CH_4$, for all natural gas driven pneumatic pumps combined, calculated according to § 98.233(c)(1) and (c)(2).

(d) *Acid gas removal units.* You must indicate whether your facility has any acid gas removal units that vent directly to the atmosphere, to a flare or engine, or to a sulfur recovery plant. If your facility contains any acid gas removal units that vent directly to the atmosphere, to a flare or engine, or to a sulfur recovery plant, then you must report the information specified in paragraphs (d)(1) and (d)(2) of this section.

(1) You must report the information specified in paragraphs (d)(1)(i) through (d)(1)(vi) of this section for each acid gas removal unit.

(i) A unique name or ID number for the acid gas removal unit. For the onshore petroleum and natural gas production industry segment, a different name or ID may be used for a single acid gas removal unit for each location it operates at in a given year.

(ii) Total feed rate entering the acid gas removal unit, using a meter or engineering estimate based on process knowledge or best available data, in million cubic feet per year.

(iii) The calculation method used to calculate $CO_2$ emissions from the acid gas removal unit, as specified in § 98.233(d).

(iv) Whether any $CO_2$ emissions from the acid gas removal unit are recovered and transferred outside the facility, as specified in § 98.233(d)(11). If any $CO_2$ emissions from the acid gas removal unit were recovered and transferred outside the facility, then you must report the annual quantity of $CO_2$, in metric tons $CO_2$, that was recovered and transferred outside the facility.

(v) Annual $CO_2$ emissions, in metric tons $CO_2$, from the acid gas removal unit, calculated using any one of the calculation methods specified in § 98.233(d) and as specified in § 98.233(d)(10) and (11).

(vi) Sub-basin ID (for the onshore petroleum and natural gas production industry segment only).

(2) You must report information specified in paragraphs (d)(2)(i) through (d)(2)(iii) of this section, applicable to the calculation method reported in paragraph (d)(1)(iii) of this section, for each acid gas removal unit.

(i) If you used Calculation Method 1 or Calculation Method 2 as specified in § 98.233(d) to calculate $CO_2$ emissions from the acid gas removal unit, then you must report the information specified in paragraphs (d)(2)(i)(A) and (d)(2)(i)(B) of this section.

(A) Annual average volumetric fraction of $CO_2$ in the vent gas exiting the acid gas removal unit.

(B) Annual volume of gas vented from the acid gas removal unit, in cubic feet.

(ii) If you used Calculation Method 3 as specified in § 98.233(d) to calculate $CO_2$ emissions from the acid gas removal unit, then you must report the information specified in paragraphs (d)(2)(ii)(A) through (d)(2)(ii)(D) of this section.

(A) Which equation was used; Equation W–4A or W–4B.

(B) Annual average volumetric fraction of $CO_2$ in the natural gas flowing out of the acid gas removal unit, as specified in Equation W–4A or Equation W–4B of this subpart.

(C) Annual average volumetric fraction of $CO_2$ content in natural gas flowing into the acid gas removal unit, as specified in Equation W–4A or Equation W–4B of this subpart.

(D) The natural gas flow rate used, as specified in Equation W–4A of this subpart, reported as either total annual volume of natural gas flow into the acid gas removal unit in cubic feet at actual conditions; or total annual volume of natural gas flow out of the acid gas removal unit, as specified in Equation W–4B of this subpart, in cubic feet at actual conditions,.

(iii) If you used Calculation Method 4 as specified in § 98.233(d) to calculate $CO_2$ emissions from the acid gas removal unit, then you must report the information specified in paragraphs (d)(2)(iii)(A) through (d)(2)(iii)(L) of this section, as applicable to the simulation software package used.

(A) The name of the simulation software package used.

(B) Natural gas feed temperature, in degrees Fahrenheit.

(C) Natural gas feed pressure, in pounds per square inch.

(D) Natural gas flow rate, in standard cubic feet per minute.

(E) Acid gas content of the feed natural gas, in mole percent.

(F) Acid gas content of the outlet natural gas, in mole percent.

(G) Unit operating hours, excluding downtime for maintenance or standby, in hours per year.

(H) Exit temperature of the natural gas, in degrees Fahrenheit.

(I) Solvent pressure, in pounds per square inch.

(J) Solvent temperature, in degrees Fahrenheit.

(K) Solvent circulation rate, in gallons per minute.

(L) Solvent weight, in pounds per gallon.

(e) *Dehydrators.* You must indicate whether your facility contains any of the following equipment: absorbent dehydrators with an annual average daily natural gas throughput greater than or equal to 0.4 million standard cubic feet per day, glycol dehydrators with an annual average daily natural gas throughput less than 0.4 million standard cubic feet per day, and dehydrators that use desiccant. If your facility contains any of the equipment listed in this paragraph (e), then you must report the applicable information in paragraphs (e)(1) through (e)(3).

(1) For each absorbent dehydrator that has an annual average daily natural gas throughput greater than or equal to 0.4 million standard cubic feet per day (as specified in § 98.233(e)(1)), you must report the information specified in paragraphs (e)(1)(i) through (e)(1)(xviii) of this section for the dehydrator.

(i) A unique name or ID number for the dehydrator. For the onshore petroleum and natural gas production industry segment, a different name or ID may be used for a single dehydrator for each location it operates at in a given year.

(ii) Dehydrator feed natural gas flow rate, in million standard cubic feet per day, determined by engineering estimate based on best available data.

(iii) Dehydrator feed natural gas water content, in pounds per million standard cubic feet.

(iv) Dehydrator outlet natural gas water content, in pounds per million standard cubic feet.

(v) Dehydrator absorbent circulation pump type (e.g., natural gas pneumatic, air pneumatic, or electric).

(vi) Dehydrator absorbent circulation rate, in gallons per minute.

(vii) Type of absorbent (e.g., triethylene glycol (TEG), diethylene glycol (DEG), or ethylene glycol (EG)).

(viii) Whether stripper gas is used in dehydrator.

(ix) Whether a flash tank separator is used in dehydrator.

(x) Total time the dehydrator is operating, in hours.

(xi) Temperature of the wet natural gas, in degrees Fahrenheit.

(xii) Pressure of the wet natural gas, in pounds per square inch gauge.

(xiii) Mole fraction of $CH_4$ in wet natural gas.

(xiv) Mole fraction of $CO_2$ in wet natural gas.

(xv) Whether any dehydrator emissions are vented to a vapor recovery device.

(xvi) Whether any dehydrator emissions are vented to a flare or regenerator firebox/fire tubes. If any emissions are vented to a flare or regenerator firebox/fire tubes, report the information specified in paragraphs (e)(1)(xvi)(A) through (e)(1)(xvi)(C) of this section for these emissions from the dehydrator.

(A) Annual $CO_2$ emissions, in metric tons $CO_2$, for the dehydrator, calculated according to § 98.233(e)(6).

(B) Annual $CH_4$ emissions, in metric tons $CH_4$, for the dehydrator, calculated according to § 98.233(e)(6).

(C) Annual $N_2O$ emissions, in metric tons $N_2O$, for the dehydrator, calculated according to § 98.233(e)(6).

(xvii) Whether any dehydrator emissions are vented to the atmosphere without being routed to a flare or regenerator firebox/fire tubes. If any emissions are not routed to a flare or regenerator firebox/fire tubes, then you must report the information specified in paragraphs (e)(1)(xvii)(A) and (e)(1)(xvii)(B) of this section for those emissions from the dehydrator.

(A) Annual $CO_2$ emissions, in metric tons $CO_2$, for the dehydrator when not venting to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(1) and (e)(5).

(B) Annual $CH_4$ emissions, in metric tons $CH_4$, for the dehydrator when not venting to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(1) and (e)(5).

(xviii) Sub-basin ID (for the onshore petroleum and natural gas production industry segment only).

(2) For glycol dehydrators with an annual average daily natural gas throughput less than 0.4 million standard cubic feet per day (as specified in § 98.233(e)(2)), you must report the information specified in paragraphs (e)(2)(i) through (e)(2)(v) of this section for the entire facility.

(i) The total number of dehydrators at the facility.

(ii) Whether any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a vapor recovery device. If any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a vapor recovery device, then you must report the total number of dehydrators at the facility that vented to a vapor recovery device.

(iii) Whether any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes. If any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a control device other than a vapor recovery device or a flare or regenerator firebox/fire tubes, then you must specify the type of control device and the number of dehydrators at the facility that were vented to each type of control device.

(iv) Whether any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a flare or regenerator firebox/fire tubes. If any dehydrators reported in paragraph (e)(2)(i) of this section were vented to a flare or regenerator firebox/fire tubes, then you must report the information specified in paragraphs (e)(2)(iv)(A) through (e)(2)(iv)(D) of this section.

(A) The total number of dehydrators venting to a flare or regenerator firebox/fire tubes.

(B) Annual $CO_2$ emissions, in metric tons $CO_2$, for the dehydrators reported in paragraph (e)(2)(iv)(A) of this section, calculated according to § 98.233(e)(6).

(C) Annual $CH_4$ emissions, in metric tons $CH_4$, for the dehydrators reported in paragraph (e)(2)(iv)(A) of this section, calculated according to § 98.233(e)(6).

(D) Annual $N_2O$ emissions, in metric tons $N_2O$, for the dehydrators reported in paragraph (e)(2)(iv)(A) of this section, calculated according to § 98.233(e)(6).

(v) For dehydrators reported in paragraph (e)(2)(i) of this section that were not vented to a flare or regenerator firebox/fire tubes, report the information specified in paragraphs (e)(2)(v)(A) and (e)(2)(v)(B) of this section.

(A) Annual $CO_2$ emissions in metric tons $CO_2$, for emissions from all dehydrators reported in paragraph (e)(2)(i) of this section that were not vented to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(2), (e)(4), and (e)(5), where emissions are added together for all such dehydrators.

(B) Annual $CH_4$ emissions in metric tons $CO_2$, for emissions from all dehydrators reported in paragraph (e)(2)(i) of this section that were not vented to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(2), (e)(4), and (e)(5), where emissions are added together for all such dehydrators.

(3) For dehydrators that use desiccant (as specified in § 98.233(e)(3)), you must report the information specified in paragraphs (e)(3)(i) through (e)(3)(iii) of this section for the entire facility.

(i) The same information specified in paragraphs (e)(2)(i) through (e)(2)(iv) of this section for glycol dehydrators, and report the information under this paragraph for dehydrators that use desiccant.

(ii) Annual $CO_2$ emissions, in metric tons $CO_2$, for emissions from all desiccant dehydrators reported under paragraph (e)(3)(i) of this section that are not venting to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(3), (e)(4), and (e)(5), and summing for all such dehydrators.

(iii) Annual $CH_4$ emissions, in metric tons $CH_4$, for emissions from all desiccant dehydrators reported in paragraph (e)(3)(i) of this section that are not venting to a flare or regenerator firebox/fire tubes, calculated according to § 98.233(e)(3), (e)(4), and (e)(5), and summing for all such dehydrators.

(f) *Liquids unloading.* You must indicate whether well venting for liquids unloading occurs at your facility, and if so, which methods (as specified in § 98.233(f)) were used to calculate emissions. If your facility performs well venting for liquids unloading and uses Calculation Method 1, then you must report the information specified in paragraph (f)(1) of this section. If the facility performs liquids unloading and uses Calculation Method 2 or 3, then you must report the information specified in paragraph (f)(2) of this section.

(1) For each sub-basin and well tubing diameter and pressure grouping for which you used Calculation Method 1 to calculate natural gas emissions from well venting for liquids unloading, report the information specified in paragraphs (f)(1)(i) through (f)(1)(xii) of this section. Report information separately for wells with plunger lifts and wells without plunger lifts.

(i) Sub-basin ID.

(ii) Well tubing diameter and pressure group ID.

(iii) Plunger lift indicator.

(iv) Count of wells vented to the atmosphere for the sub-basin/well tubing diameter and pressure grouping.

(v) Percentage of wells for which the monitoring period used to determine the cumulative amount of time venting was not the full calendar year.

(vi) Cumulative amount of time wells were vented (sum of ''$T_p$'' from Equation W–7A or W–7B of this subpart), in hours.

(vii) Cumulative number of unloadings vented to the atmosphere for each well, aggregated across all wells in the sub-basin/well tubing diameter and pressure grouping.

(viii) Annual natural gas emissions, in standard cubic feet, from well venting for liquids unloading, calculated according to § 98.233(f)(1).

(ix) Annual $CO_2$ emissions, in metric tons $CO_2$, from well venting for liquids unloading, calculated according to § 98.233(f)(1) and § 98.233(f)(4).

(x) Annual $CH_4$ emissions, in metric tons $CH_4$, from well venting for liquids unloading, calculated according to § 98.233(f)(1) and § 98.233(f)(4).

(xi) For each well tubing diameter group and pressure group combination, you must report the information specified in paragraphs (f)(1)(xi)(A) through (f)(1)(xi)(E) of this section for each individual well not using a plunger lift that was tested during the year.

(A) API number of tested well.

(B) Casing pressure, in pounds per square inch absolute.

(C) Internal casing diameter, in inches.

(D) Measured depth of the well, in feet.

(E) Average flow rate of the well venting over the duration of the liquids unloading, in standard cubic feet per hour.

(xii) For each well tubing diameter group and pressure group combination, you must report the information specified in paragraphs (f)(1)(xii)(A) through (f)(1)(xii)(E) of this section for each individual well using a plunger lift that was tested during the year.

(A) The API well number.

(B) The tubing pressure, in pounds per square inch absolute.

(C) The internal tubing diameter, in inches.

(D) Measured depth of the well, in feet.

(E) Average flow rate of the well venting over the duration of the liquids unloading, in standard cubic feet per hour.

(2) For each sub-basin for which you used Calculation Method 2 or 3 (as

specified in § 93.233(f)) to calculate natural gas emissions from well venting for liquids unloading, you must report the information in (f)(2)(i) through (f)(2)(x) of this section. Report information separately for each calculation method.

(i) Sub-basin ID.

(ii) Calculation method.

(iii) Plunger lift indicator.

(iv) Number of wells vented to the atmosphere.

(v) Cumulative number of unloadings vented to the atmosphere for each well, aggregated across all wells.

(vi) Annual natural gas emissions, in standard cubic feet, from well venting for liquids unloading, calculated according to § 98.233(f)(2) or § 98.233(f)(3), as applicable.

(vii) Annual $CO_2$ emissions, in metric tons $CO_2$, from well venting for liquids unloading, calculated according to § 98.233(f)(2) or § 98.233(f)(3), as applicable, and § 98.233(f)(4).

(viii) Annual $CH_4$ emissions, in metric tons $CH_4$, from well venting for liquids unloading, calculated according to § 98.233(f) (2) or § 98.233(f)(3), as applicable, and § 98.233(f)(4).

(ix) For wells without plunger lifts, the average internal casing diameter, in inches.

(x) For wells with plunger lifts, the average internal tubing diameter, in inches.

(g) *Completions and workovers with hydraulic fracturing.* You must indicate whether your facility had any gas well completions or workovers with hydraulic fracturing during the calendar year. If your facility had gas well completions or workovers with hydraulic fracturing during the calendar year, then you must report information specified in paragraphs (g)(1) through (g)(10) of this section, for each sub-basin and well type combination. Report information separately for completions and workovers.

(1) Sub-basin ID.

(2) Well type.

(3) Number of completions or workovers in the category.

(4) Calculation method used.

(5) If you used Equation W–10A to calculate annual volumetric total gas emissions, then you must report the information specified in paragraphs (g)(5)(i) and (g)(5)(ii) of this section.

(i) Cumulative backflow time, in hours, for each sub-basin (''$T_p$'' in Equation W–10A).

(ii) Measured flowback rate, in standard cubic feet per hour, for each sub-basin (''$FR_{s,p}$'' in Equation W–12A).

(6) If you used Equation W–10B to calculate annual volumetric total gas emissions for completions that vent gas to the atmosphere, then you must report the vented natural gas volume, in standard cubic feet, for each well in the sub-basin (''$FV_{s,p}$'' in Equation W–10B).

(7) Annual gas emissions, in standard cubic feet (''$E_{s,n}$'' in Equation W–10A or W–10B).

(8) Annual $CO_2$ emissions, in metric tons $CO_2$.

(9) Annual $CH_4$ emissions, in metric tons $CH_4$.

(10) If the well emissions were vented to a flare, then you must report the total $N_2O$ emissions, in metric tons $N_2O$.

(h) *Completions and workovers without hydraulic fracturing.* You must indicate whether the facility had any gas well completions without hydraulic fracturing or any gas well workovers without hydraulic fracturing, and if the activities occurred with or without flaring. If the facility had gas well completions or workovers without hydraulic fracturing, then you must report the information specified in paragraphs (h)(1) through (h)(4) of this section, as applicable.

(1) For each sub-basin with gas well completions without hydraulic fracturing and without flaring, report the information specified in paragraphs (h)(1)(i) through (h)(1)(vi) of this section.

(i) Sub-basin ID.

(ii) Number of well completions that vented gas directly to the atmosphere without flaring.

(iii) Total number of hours that gas vented directly to the atmosphere during backflow for all completions in the sub-basin category (the sum of all ''Tp'' for completions that vented to the atmosphere as used in Equation W–13B).

(iv) Average daily gas production rate for all completions without hydraulic fracturing in the sub-basin without flaring, in standard cubic feet per hour (average of all ''$V_p$'' used in Equation W–13B).

(v) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from completions venting gas directly to the atmosphere (''$E_{s,p}$'' from Equation W–13B for completions that vented directly to the atmosphere, converted to mass emissions according to § 98.233(h)(1)).

(vi) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from completions venting gas directly to the atmosphere ($E_{s,p}$ from Equation W–13B for completions that vented directly to the atmosphere, converted to mass emissions according to § 98.233(h)(1)).

(2) For each sub-basin with gas well completions without hydraulic fracturing and with flaring, report the information specified in paragraphs (h)(2)(i) through (h)(2)(vii) of this section.

(i) Sub-basin ID.

(ii) Number of well completions that flared gas.

(iii) Total number of hours that gas vented to a flare during backflow for all completions in the sub-basin category (the sum of all ''$T_p$'' for completions that vented to a flare from Equation W–13B).

(iv) Average daily gas production rate for all completions without hydraulic fracturing in the sub-basin with flaring, in standard cubic feet per hour (the average of all ''$V_p$'' from Equation W–13B).

(v) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from completions that flared gas calculated according to § 98.233(h)(2).

(vi) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from completions that flared gas calculated according to § 98.233(h)(2).

(vii) Annual $N_2O$ emissions, in metric tons $N_2O$, that resulted from completions that flared gas calculated according to § 98.233(h)(2).

(3) For each sub-basin with gas well workovers without hydraulic fracturing and without flaring, report the information specified in paragraphs (h)(3)(i) through (h)(3)(iv) of this section.

(i) Sub-basin ID.

(ii) Number of workovers that vented gas to the atmosphere without flaring.

(iii) Annual $CO_2$ emissions, in metric tons $CO_2$ per year, that resulted from workovers venting gas directly to the atmosphere (''$E_{s,wo}$'' in Equation W–13A for workovers that vented directly to the atmosphere, converted to mass emissions as specified in § 98.233(h)(1)).

(iv) Annual $CH_4$ emissions, in metric tons $CH_4$ per year, that resulted from workovers venting gas directly to the atmosphere (''$E_{s,wo}$'' in Equation W–13A for workovers that vented directly to the atmosphere, converted to mass emissions as specified in § 98.233(h)(1)).

(4) For each sub-basin with gas well workovers without hydraulic fracturing and with flaring, report the information specified in paragraphs (h)(4)(i) through (h)(4)(v) of this section.

(i) Sub-basin ID.

(ii) Number of workovers that flared gas.

(iii) Annual $CO_2$ emissions, in metric tons $CO_2$ per year, that resulted from workovers that flared gas calculated as specified in § 98.233(h)(2).

(iv) Annual $CH_4$ emissions, in metric tons $CH_4$ per year, that resulted from workovers that flared gas, calculated as specified in § 98.233(h)(2).

(v) Annual $N_2O$ emissions, in metric tons $N_2O$ per year, that resulted from

workovers that flared gas calculated as specified in § 98.233(h)(2).

(i) *Blowdown vent stacks.* You must indicate whether your facility has blowdown vent stacks. If your facility has blowdown vent stacks, then you must report whether emissions were calculated by equipment type or by using flow meters. If you calculated emissions by equipment type, then you must report the information specified in paragraph (i)(1) of this section. If you calculated emissions using flow meters, then you must report the information specified in paragraph (i)(2) of this section.

(1) *Report by equipment type.* If you calculated emissions from blowdown vent stacks by equipment type, then you must report the equipment types and the information specified in paragraphs (i)(1)(i) through (i)(1)(iii) of this section for each equipment type. If a blowdown event resulted in emissions from multiple equipment types, then you must report the information in paragraphs (i)(1)(i) through (i)(1)(iii) of this section for the equipment type that represented the largest portion of the emissions for the blowdown event.

(i) Total number of blowdowns in the calendar year for the equipment type (the sum of equation variable ''N'' from Equation W–14A or Equation W–14B of this subpart, for all unique physical volumes for the equipment type).

(ii) Annual $CO_2$ emissions for the equipment type, in metric tons $CO_2$, calculated according to § 98.233(i)(2)(iii).

(iii) Annual $CH_4$ emissions for the equipment type, in metric tons $CH_4$, calculated according to § 98.233(i)(2)(iii).

(2) *Report by flow meter.* If you elect to calculate emissions from blowdown vent stacks by using a flow meter according to § 98.233(i)(3), then you must report the information specified in paragraphs (i)(2)(i) and (i)(2)(ii) of this section for the facility.

(i) Annual $CO_2$ emissions from all blowdown vent stacks at the facility, in metric tons $CO_2$ (the sum of all $CO_2$ mass emission values calculated according to § 98.233(i)(3), for all flow meters).

(ii) Annual $CH_4$ emissions from all blowdown vent stacks at the facility, in metric tons $CH_4$, (the sum of all $CH_4$ mass emission values calculated according to § 98.233(i)(3), for all flow meters).

(j) *Onshore production storage tanks.* You must indicate whether your facility sends produced oil to atmospheric tanks. If your facility sends produced oil to atmospheric tanks, then you must indicate which Calculation Method(s) you used to calculate GHG emissions, and you must report the information specified in paragraphs (j)(1) and (j)(2) of this section as applicable. If any atmospheric tanks were observed to have malfunctioning dump valves during the calendar year, then you must indicate that dump valves were malfunctioning and you must report the information specified in paragraph (j)(3) of this section.

(1) If you used Calculation Method 1 or Calculation Method 2 to calculate GHG emissions, then you must report the information specified in paragraphs (j)(1)(i) through (j)(1)(xiv) of this section for each sub-basin and by calculation method.

(i) Sub-basin ID.

(ii) Calculation method used, and name of the software package used if using Calculation Method 1.

(iii) The total annual gas-liquid separator oil volume that is sent to applicable onshore production storage tanks, in barrels.

(iv) The average gas-liquid separator temperature, in degrees.

(v) The average gas-liquid separator pressure, in pounds per square inch gauge.

(vi) The average sales oil or stabilized oil API gravity, in degrees.

(vii) The minimum and maximum concentration (mole fraction) of $CO_2$ in flash gas from onshore production storage tanks.

(viii) The minimum and maximum concentration (mole fraction) of $CH_4$ in flash gas from onshore production storage tanks.

(ix) The number of wells sending oil to gas-liquid separators or directly to atmospheric tanks.

(x) The number of atmospheric tanks.

(xi) An estimate of the number of atmospheric tanks, not on well-pads, receiving your oil.

(xii) If any emissions from the atmospheric tanks at your facility were controlled with vapor recovery systems, then you must report the information specified in paragraphs (j)(1)(xii)(A) through (j)(1)(xii)(E) of this section.

(A) The number of atmospheric tanks that control emissions with vapor recovery systems.

(B) Total $CO_2$ mass, in metric tons $CO_2$, that was recovered during the calendar year using a vapor recovery system.

(C) Total $CH_4$ mass, in metric tons $CH_4$, that was recovered during the calendar year using a vapor recovery system.

(D) Annual $CO_2$ emissions, in metric tons $CO_2$, from atmospheric tanks equipped with vapor recovery systems.

(E) Annual $CH_4$ emissions, in metric tons $CH_4$, from atmospheric tanks equipped with vapor recovery systems.

(xiii) If any atmospheric tanks at your facility vented gas directly to the atmosphere without using a vapor recovery system or without flaring, then you must report the information specified in paragraphs (j)(1)(xiii)(A) through (j)(1)(xiii)(C) of this section.

(A) The number of atmospheric tanks that vented gas directly to the atmosphere without using a vapor recovery system or without flaring.

(B) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from venting gas directly to the atmosphere.

(C) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from venting gas directly to the atmosphere.

(xiv) If you controlled emissions from any atmospheric tanks at your facility with one or more flares, then you must report the information specified in paragraphs (j)(1)(xiv)(A) through (j)(1)(xiv)(D) of this section.

(A) The number of atmospheric tanks that controlled emissions with flares.

(B) Annual $CO_2$ emissions, in metric tons $CO_2$, from atmospheric tanks that controlled emissions with one or more flares.

(C) Annual $CH_4$ emissions, in metric tons $CH_4$, from atmospheric tanks that controlled emissions with one or more flares.

(D) Annual $N_2O$ emissions, in metric tons $N_2O$, from atmospheric tanks that controlled emissions with one or more flares.

(2) If you used Calculation Method 3 to calculate GHG emissions, then you must report the information specified in paragraph (j)(2)(i) through (j)(2)(iii) of this paragraph.

(i) Report the information specified in paragraphs (j)(2)(i)(A) through (j)(2)(i)(F) of this section, at the basin level, for atmospheric tanks where emissions were calculated using Calculation Method 3.

(A) The total annual oil throughput that is sent to all atmospheric tanks in the basin, in barrels.

(B) An estimate of the fraction of oil throughput reported in paragraph (j)(2)(i)(A) sent to atmospheric tanks in the basin that controlled emissions with flares.

(C) An estimate of the fraction of oil throughput reported in paragraph (j)(2)(i)(A) sent to atmospheric tanks in the basin that controlled emissions with vapor recovery systems.

(D) The number of atmospheric tanks in the basin.

(E) The number of wells with gas-liquid separators (''Count'' from Equation W–15 of this subpart) in the basin.

(F) The number of wells without gas-liquid separators (''Count'' from Equation W–15 of this subpart) in the basin.

(ii) Report the information specified in paragraphs (j)(2)(ii)(A) through (j)(2)(ii)(D) of this section for each sub-basin with atmospheric tanks whose emissions were calculated using Calculation Method 3 and that did not control emissions with flares.

(A) Sub-basin ID.

(B) The number of atmospheric tanks in the sub-basin that did not control emissions with flares.

(C) Annual $CO_2$ emissions, in metric tons $CO_2$, from atmospheric tanks in the sub-basin that did not control emissions with flares, calculated using Equation W–15 of this subpart.

(D) Annual $CH_4$ emissions, in metric tons $CH_4$, from atmospheric tanks in the sub-basin that vented gas directly to the atmosphere, calculated using Equation W–15 of this subpart.

(iii) Report the information specified in paragraphs (j)(2)(iii)(A) through (j)(2)(iii)(E) of this section for each sub-basin with atmospheric tanks whose emissions were calculated using Calculation Method 3 and that controlled emissions with flares.

(A) Sub-basin ID.

(B) The number of atmospheric tanks in the sub-basin that controlled emissions with flares.

(C) Annual $CO_2$ emissions, in metric tons $CO_2$, from atmospheric tanks that controlled emissions with flares.

(D) Annual $CH_4$ emissions, in metric tons $CH_4$, from atmospheric tanks that controlled emissions with flares.

(E) Annual $N_2O$ emissions, in metric tons $N_2O$, from atmospheric tanks that controlled emissions with flares.

(3) If any gas-liquid separator liquid dump values did not close properly during the calendar year, then you must report the information specified in paragraphs (j)(3)(i) through (j)(3)(iv) of this section.

(i) The total number of gas-liquid separators whose liquid dump valves did not close properly during the calendar year.

(ii) The total time the dump valves on gas-liquid separators did not close properly in the calendar year, in hours (''$T_n$'' in Equation W–16 of this subpart).

(iii) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from dump valves on gas-liquid separators not closing properly during the calendar year, calculated using Equation W–16 of this subpart.

(iv) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from the dump valves on gas-liquid separators not closing properly during the calendar year, calculated using Equation W–16 of this subpart.

(k) *Transmission storage tanks.* You must indicate whether your facility contains any transmission storage tanks. If your facility contains at least one transmission storage tank, then you must report the information specified in paragraphs (k)(1) through (k)(3) of this section for each transmission storage tank vent stack.

(1) For each transmission storage tank vent stack, report the information specified in (k)(1)(i) through (k)(1)(iv) of this section.

(i) The unique name or ID number for the transmission storage tank vent stack.

(ii) Method used to determine if dump valve leakage occurred.

(iii) Indicator whether scrubber dump valve leakage occurred for the transmission storage tank vent.

(iv) Indicator if there is a flare attached to the transmission storage tank vent stack.

(2) If scrubber dump valve leakage occurred for a transmission storage tank vent stack, as reported in paragraph (k)(1)(iii), and the vent stack vented directly to the atmosphere during the calendar year, then you must report the information specified in paragraphs (k)(2)(i) through (k)(2)(v) of this section for each transmission storage vent stack where scrubber dump valve leakage occurred.

(i) Method used to measure the leak rate.

(ii) Measured leak rate (average leak rate from a continuous flow measurement device), in standard cubic feet per hour.

(iii) Duration of time that venting occurred, in hours (may use best available data if a continuous flow measurement device was used).

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from venting gas directly to the atmosphere, calculated according to § 98.233(k)(1) through (k)(3).

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from venting gas directly to the atmosphere, calculated according to § 98.233(k)(1) through (k)(3).

(3) If scrubber dump valve leakage occurred for a transmission storage tank vent stack, as reported in paragraph (k)(1)(iii), and the vent stack vented to a flare during the calendar year, then you must report the information specified in paragraphs (k)(3)(i) through (k)(3)(vi) of this section.

(i) Method used to measure the leak rate.

(ii) Measured leakage rate (average leak rate from a continuous flow measurement device) in standard cubic feet per hour.

(iii) Duration of time that flaring occurred in hours (may use best available data if a continuous flow measurement device was used).

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, that resulted from flaring gas, calculated according to § 98.233(k)(4).

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, that resulted from flaring gas, calculated according to § 98.233(k)(4).

(vi) Annual $N_2O$ emissions, in metric tons $N_2O$, that resulted from flaring gas, calculated according to § 98.233(k)(4).

(l) *Well testing.* You must indicate whether you performed gas well or oil well testing, and if the testing of gas wells or oil wells resulted in vented or flared emissions during the calendar year. If you performed well testing that resulted in vented or flared emissions during the calendar year, then you must report the information specified in paragraphs (l)(1) through (l)(4) of this section, as applicable.

(1) If you used Equation W–17A to calculate annual volumetric natural gas emissions at actual conditions from oil wells and the emissions are not vented to a flare, then you must report the information specified in paragraphs (l)(1)(i) through (l)(1)(vi) of this section.

(i) Number of wells tested in the calendar year.

(ii) Average number of well testing days in the calendar year.

(iii) Average gas to oil ratio for well(s) tested, in cubic feet of gas per barrel of oil.

(iv) Average flow rate for well(s) tested, in barrels of oil per day.

(v) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(l).

(vi) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(l).

(2) If you used Equation W–17A to calculate annual volumetric natural gas emissions at actual conditions from oil wells and the emissions are vented to a flare, then you must report the information specified in paragraphs (l)(2)(i) through (l)(2)(vii) of this section.

(i) Number of wells tested in the calendar year.

(ii) Average number of well testing days in the calendar year.

(iii) Average gas to oil ratio for well(s) tested, in cubic feet of gas per barrel of oil.

(iv) Average flow rate for well(s) tested, in barrels of oil per day.

(v) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(l).

(vi) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(l).

(vii) Annual $N_2O$ emissions, in metric tons $N_2O$, calculated according to § 98.233(l).

(3) If you used Equation W–17B to calculate annual volumetric natural gas emissions at actual conditions from gas wells and the emissions were not vented to a flare, then you must report the information specified in paragraphs (l)(3)(i) through (l)(3)(v) of this section.

(i) Number of wells tested in the calendar year.

(ii) Average number of well testing days in the calendar year.

(iii) Average annual production rate for well(s) tested, in actual cubic feet per day.

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(l).

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(l).

(4) If you used Equation W–17B to calculate annual volumetric natural gas emissions at actual conditions from gas wells and the emissions were vented to a flare, then you must report the information specified in paragraphs (l)(4)(i) through (l)(4)(vi) of this section.

(i) Number of wells tested in calendar year.

(ii) Average number of well testing days in the calendar year.

(iii) Average annual production rate for well(s) tested, in actual cubic feet per day.

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(l).

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(l).

(vi) Annual $N_2O$ emissions, in metric tons $N_2O$, calculated according to § 98.233(l).

(m) *Associated natural gas.* You must indicate whether any associated gas was vented or flared during the calendar year. If associated gas was vented or flared during the calendar year, then you must report the information specified in paragraphs (m)(1) through (m)(9) of this section for each sub-basin.

(1) Sub-basin ID.

(2) Indicator whether any associated gas was vented directly to the atmosphere without flaring.

(3) Indicator whether any associated gas was flared.

(4) Average gas to oil ratio, in standard cubic feet of gas per barrel of oil (average of the ''GOR'' values used in Equation W–18 of this subpart).

(5) Volume of oil produced, in barrels, in the calendar year during the time periods in which associated gas was vented or flared (the sum of ''$V_{p,q}$'' used in Equation W–18 of this subpart).

(6) Total volume of associated gas sent to sales, in standard cubic feet, in the calendar year during time periods in which associated gas was vented or flared (the sum of ''SG'' values used in Equation W–18 of this subpart).

(7) Total volume of emissions reported elsewhere, in standard cubic feet, during time periods in which associated gas was vented or flared and which are calculated and reported under other paragraphs of this section, in standard cubic feet (the sum of ''EREp,q'' values used in Equation W–18 of this subpart).

(8) If you had associated gas emissions directly to the atmosphere without flaring, then you must report the information specified in paragraphs (m)(8)(i) through (m)(8)(iii) of this section for each sub-basin.

(i) Total number of wells for which associated gas was vented directly to the atmosphere without flaring.

(ii) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(m)(3) and (m)(4).

(iii) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(m)(3) and (m)(4).

(9) If you had associated gas emissions that were flared, then you must report the information specified in paragraphs (m)(9)(i) through (m)(9)(iv) of this section for each sub-basin.

(i) Total number of wells for which associated gas was flared.

(ii) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(m)(5).

(iii) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(m)(5).

(iv) Annual $N_2O$ emissions, in metric tons $N_2O$, calculated according to § 98.233(m)(5).

(n) *Flare stacks.* You must indicate if your facility contains any flare stacks. You must report the information specified in paragraphs (n)(1) through (n)(12) of this section for each flare stack at your facility, and for each industry segment applicable to your facility.

(1) Unique name or ID for the flare stack. For the onshore petroleum and natural gas production industry segment, a different name or ID may be used for a single flare stack for each location where it operates at in a given calendar year.

(2) Indicate whether the flare stack has a continuous flow measurement device.

(3) Indicate whether the flare stack has a continuous gas composition analyzer on feed gas to the flare.

(4) Volume of gas sent to the flare, in standard cubic feet (''Va'' in Equation W–19 of this subpart).

(5) Fraction of the feed gas sent to an un-lit flare (''Zu'' in Equation W–19 of this subpart).

(6) Flare combustion efficiency, expressed as the fraction of gas combusted by a burning flare.

(7) Mole fraction of $CH_4$ in the feed gas to the flare (''$X_{CH4}$'' in Equation W–19 of this subpart).

(8) Mole fraction of $CO_2$ in the feed gas to the flare (''$X_{CO2}$'' in Equation W–20 of this subpart).

(9) Annual $CO_2$ emissions, in metric tons $CO_2$ (refer to Equation W–20 of this subpart).

(10) Annual $CH_4$ emissions, in metric tons $CH_4$ (refer to Equation W–19 of this subpart).

(11) Annual $N_2O$ emissions, in metric tons $N_2O$ (refer to Equation W–40 of this subpart).

(12) Indicate whether a CEMS was used to measure emissions from the flare. If a CEMS was used to measure emissions from the flare, then you are not required to report $N_2O$ and $CH_4$ emissions for the flare stack.

(o) *Centrifugal compressors.* You must indicate whether your facility has centrifugal compressors. You must report the information specified in paragraphs (o)(1) and (o)(2) of this section for all centrifugal compressors at your facility. For each compressor source or manifolded group of compressor sources that you conduct as found leak measurements as specified in § 98.233(o)(2) or (o)(4), you must report the information specified in paragraph (o)(3) of this section. For each compressor source or manifolded group of compressor sources that you conduct continuous monitoring as specified in § 98.233(o)(3) or (o)(5), you must report the information specified in paragraph (o)(4) of this section. Centrifugal compressors in onshore petroleum and natural gas production are not required to report information in paragraphs (o)(1) through (o)(4) of this section and instead must report the information specified in paragraph (o)(5) of this section.

(1) Compressor activity data. Report the information specified in paragraphs (o)(1)(i) through (o)(1)(xvi) of this section for each compressor located at your facility.

(i) Unique name or ID for the centrifugal compressor.

(ii) Hours in operating-mode.

(iii) Hours in not-operating-depressurized-mode.

(iv) Indicate whether the compressor was measured in operating-mode.

(v) Indicate whether the compressor was measured in not-operating-depressurized-mode.

(vi) Indicate whether any compressor sources are part of a manifolded group of compressor sources.

(vii) Indicate whether any compressor sources are routed to a flare.

(viii) Indicate whether any compressor sources have vapor recovery.

(ix) Indicate whether emissions from any compressor sources are captured for fuel use or are routed to a thermal oxidizer.

(x) Indicate whether the compressor has blind flanges installed.

(xi) Indicate whether the compressor has wet or dry seals.

(xii) If the compressor has wet seals, the number of wet seals.

(xiii) Compressor power rating (hp).

(xiv) Year compressor was installed.

(xv) Compressor model name and description.

(xvi) Date of last maintenance shutdown that compressor was depressurized.

(2) Compressor source emission vent. For each compressor source at each compressor, report the information specified in paragraphs (o)(2)(i) through (o)(2)(viii) of this section.

(i) Centrifugal compressor name or ID. Use the same ID as in paragraph (o)(1)(i) of this section.

(ii) Centrifugal compressor source (wet seal, isolation valve, or blowdown valve).

(iii) Unique name or ID for the emission vent. If the emission vent is connected to a manifolded group of compressor sources, use the same emission vent ID for each compressor source.

(iv) Emission vent type. Indicate whether the emission vent is for a single compressor source or manifolded group of compressor sources and whether the emissions from the emission vent are released to the atmosphere, routed to a flare, combustion (fuel or thermal oxidizer), or vapor recovery.

(v) Indicate whether an as found leak measurement(s) as identified in § 98.233(o)(2) or (o)(4) was conducted on the emission vent.

(vi) Indicate whether continuous leak measurements as identified in § 98.233(o)(3) or (o)(5) were conducted on the emission vent.

(vii) Report emissions as specified in paragraphs (o)(2)(vii)(A) and (o)(2)(vii)(B) of this section for the emission vent. For emission vents associated with individual compressor sources that use an as found leak measurement(s), calculate emissions by summing all emissions from all compressor mode-source combinations for the emission vent.

(A) Annual $CO_2$ emissions, in metric tons $CO_2$.

(B) Annual $CH_4$ emissions, in metric tons $CH_4$.

(viii) If the emission vent is routed to flare, combustion, or vapor recovery, report the percentage of time that the respective device was operational.

(3) As found leak measurement sample data. If the measurement methods specified in paragraphs § 98.233(o)(2) or (o)(4) are conducted, report the information specified in paragraph (o)(3)(i) of this section. If the measurement method specified in paragraph § 98.233(o)(2) is performed, report the information specified in paragraph (o)(3)(ii) of this section.

(i) For each as found leak measurement performed on an emission vent, report the information specified in paragraphs (o)(3)(i)(A) through (o)(3)(i)(E) of this section.

(A) Name or ID of emission vent. Use same emission vent ID as in paragraph (o)(2)(iii) of this section.

(B) Sample date.

(C) Leak measurement method.

(D) Measured flow rate, in standard cubic feet per hour.

(E) For each compressor attached to the emission vent, report the mode of operation the compressor was in when the sample was taken.

(ii) For each compressor mode-source combination where a reporter emission factor as calculated in equation W–24 was used to calculate emissions in Equation W–23, report the information specified in paragraphs (o)(3)(ii)(A) through (o)(3)(ii)(D) of this section

(A) The compressor mode-source combination.

(B) The compressor mode-source combination reporter emission factor, in standard cubic feet per hour ($EF_{m,s}$ in Equation W–24).

(C) The total number of compressors measured in the compressor mode-source combination in the current reporting year and the preceding two reporting years ($Count_m$ in Equation W–24).

(D) Indicate whether the compressor mode-source combination reporter emission factor is facility-specific or corporate.

(4) Continuous leak measurement data. If the measurement methods specified in paragraphs § 98.233(o)(3) or (o)(5) are conducted, report the information specified in paragraphs (o)(4)(i) and (o)(4)(ii) of this section for each continuous measurement conducted on each emission vent associated with each compressor source or manifolded group of compressor sources.

(i) Name or ID of emission vent. Use same emission vent ID as in paragraph (o)(2)(iii) of this section.

(ii) Measured volume of flow during the reporting year, in million standard cubic feet.

(5) Centrifugal compressors with wet seal degassing vents in onshore petroleum and natural gas production must report the information specified in paragraphs (o)(5)(i) through (o)(5)(iii) of this section.

(i) Number of centrifugal compressors that have wet seal oil degassing vents.

(ii) Annual $CO_2$ emissions, in metric tons $CO_2$, from centrifugal compressors with wet seal oil degassing vents.

(iii) Annual $CH_4$ emissions, in metric tons $CH_4$, from centrifugal compressors with wet seal oil degassing vents.

(p) *Reciprocating compressors.* You must indicate whether your facility has reciprocating compressors. You must report the information specified in paragraphs (p)(1) and (p)(2) of this section for all reciprocating compressors at your facility. For each compressor source or manifolded group of compressor sources that you conduct as found leak measurements as specified in § 98.233(p)(2) or (p)(4), you must report the information specified in paragraph (p)(3) of this section. For each compressor source or manifolded group of compressor sources that you conduct continuous monitoring as specified in § 98.233(p)(3) or (p)(5), you must report the information specified in paragraph (p)(4) of this section. Reciprocating compressors in onshore petroleum and natural gas production are not required to report information in paragraphs (p)(1) through (p)(4) of this section and instead must report the information specified in paragraph (p)(5) of this section.

(1) Compressor activity data. Report the information specified in paragraphs (p)(1)(i) through (p)(1)(xvi) of this section for each compressor located at your facility.

(i) Unique name or ID for the reciprocating compressor.

(ii) Hours in operating-mode.

(iii) Hours in standby-depressurized-mode.

(iv) Hours in not-operating-depressurized-mode.

(v) Indicate whether the compressor was measured in operating-mode.

(vi) Indicate whether the compressor was measured in standby-depressurized-mode.

(vii) Indicate whether the compressor was measured in not-operating-depressurized-mode.

(viii) Indicate whether any compressor sources are part of a manifolded group of compressor sources.

(ix) Indicate whether any compressor sources are routed to a flare.

(x) Indicate whether any compressor sources have vapor recovery.

(xi) Indicate whether emissions from any compressor sources are captured for fuel use or are routed to a thermal oxidizer.

(xii) Indicate whether the compressor has blind flanges installed.

(xiii) Compressor power rating (hp).

(xiv) Year compressor was installed.

(xv) Compressor model name and description.

(xvi) Date of last maintenance shutdown for rod packing replacement.

(2) Compressor source emission vent. For each compressor source at each compressor, report the information specified in paragraphs (p)(2)(i) through (p)(2)(viii) of this section.

(i) Reciprocating compressor name or ID. Use the same ID as in paragraph (p)(1)(i) of this section.

(ii) Reciprocating compressor source (isolation valve, blowdown valve, or rod packing).

(iii) Unique name or ID for the emission vent. If the emission vent is connected to a manifolded group of compressor sources, use the same emission vent ID for each compressor source.

(iv) Emission vent type. Indicate whether the emission vent is for a single compressor source or manifolded group of compressor sources and whether the emissions from the emission vent are released to the atmosphere, routed to a flare, combustion (fuel or thermal oxidizer), or vapor recovery.

(v) Indicate whether an as found leak measurement(s) as identified in § 98.233(p)(2) or (p)(4) was conducted on the emission vent.

(vi) Indicate whether continuous leak measurements as identified in § 98.233(p)(3) or (p)(5) were conducted on the emission vent.

(vii) Report emissions as specified in paragraphs (p)(2)(vii)(A) and (p)(2)(vii)(B) of this section for the emission vent. For emission vents associated with individual compressor sources that use an as found leak measurement(s), calculate emissions by summing all emissions from all compressor mode-source combinations for the emission vent.

(A) Annual $CO_2$ emissions, in metric tons $CO_2$.

(B) Annual $CH_4$ emissions, in metric tons $CH_4$.

(viii) If the emission vent is routed to flare, combustion, or vapor recovery, report the percentage of time that the respective device was operational.

(3) As found leak measurement sample data. If the measurement methods specified in paragraphs § 98.233(p)(2) or (p)(4) are conducted, report the information specified in paragraph (p)(3)(i) of this section. If the measurement method specified in paragraph § 98.233(p)(2) is performed, report the information specified in paragraph (p)(3)(ii) of this section.

(i) For each as found leak measurement performed on an emission vent, report the information specified in paragraphs (p)(3)(i)(A) through (p)(3)(i)(E) of this section.

(A) Name or ID of emission vent. Use same emission vent ID as in paragraph (p)(2)(iii) of this section.

(B) Sample date.

(C) Leak measurement method.

(D) Measured flow rate, in standard cubic feet per hour.

(E) For each compressor attached to the emission vent, report the mode of operation the compressor was in when the sample was taken.

(ii) For each compressor mode-source combination where a reporter emission factor as calculated in equation W–28 was used to calculate emissions in Equation W–27, report the information specified in paragraphs (p)(3)(ii)(A) through (p)(3)(ii)(D) of this section

(A) The compressor mode-source combination.

(B) The compressor mode-source combination reporter emission factor, in standard cubic feet per hour ($EF_{m,s}$ in Equation W–28).

(C) The total number of compressors measured in the compressor mode-source combination in the current reporting year and the preceding two reporting years ($Count_m$ in Equation W–28).

(D) Indicate whether the compressor mode-source combination reporter emission factor is facility-specific or corporate.

(4) Continuous leak measurement data. If the measurement methods specified in paragraphs § 98.233(p)(3) or (p)(5) are conducted, report the information specified in paragraphs (p)(4)(i) and (p)(4)(ii) of this section for each continuous measurement conducted on each emission vent associated with each compressor source or manifolded group of compressor sources.

(i) Name or ID of emission vent. Use same emission vent ID as in paragraph (p)(2)(iii) of this section.

(ii) Measured volume of flow during the reporting year, in million standard cubic feet.

(5) Reciprocating compressors in onshore petroleum and natural gas production must report the information specified in paragraphs (p)(5)(i) through (p)(5)(iii) of this section.

(i) Number of reciprocating compressors.

(ii) Annual $CO_2$ emissions, in metric tons $CO_2$, from reciprocating compressors.

(iii) Annual $CH_4$ emissions, in metric tons $CH_4$, from reciprocating compressors.

(q) *Equipment leak surveys.* If your facility is subject to the requirements of § 98.233(q), then you must report the information specified in paragraphs (q)(1) and (q)(2) of this section. Natural gas distribution facilities must also report the information specified in paragraph (q)(3) of this section.

(1) You must report the information specified in paragraphs (q)(1)(i) and (ii) of this section.

(i) The number of complete equipment leak surveys performed during the calendar year.

(ii) Natural gas distribution facilities performing equipment leak surveys across a multiple year leak survey cycle must report the number of years in the leak survey cycle.

(2) You must indicate whether your facility contains any of the component types listed in § 98.232(d)(7), (e)(7), (f)(5), (g)(3), (h)(4), or (i)(1), for your facility's industry segment. For each component type that is located at your facility, you must report the information specified in paragraphs (q)(2)(i) through (q)(2)(v) of this section. If a component type is located at your facility and no leaks were identified from that component, then you must report the information in paragraphs (q)(2)(i) through (q)(2)(v) of this section but report a zero (''0'') for the information required according to paragraphs (q)(2)(iii), (q)(2)(iv), and (q)(2)(v) of this section.

(i) Component type.

(ii) Total number of the surveyed component type that were identified as leaking in the calendar year (''$x_p$'' in Equation W–30 of this subpart for the component type).

(iii) Average time the surveyed components were found leaking and operational, in hours (average of ''$T_{p,z}$'' from Equation W–30 of this subpart for the component type).

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, for the component type.

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, for the component type.

(3) Natural gas distribution facilities must report the information specified in paragraphs (q)(3)(i) through (q)(3)(viii) of this section.

(i) Number of above grade transmission-distribution transfer stations surveyed in the calendar year.

(ii) Number of meter/regulator runs at above grade transmission-distribution transfer stations surveyed in the calendar year (''$Count_{MR,y}$'' from

Equation W–31 of this subpart, for the current calendar year).

(iii) Average time that meter/regulator runs surveyed in the calendar year were operational, in hours (average of ''$T_{w,y}$'' from Equation W–31 of this subpart, for the current calendar year).

(iv) Number of above grade transmission-distribution transfer stations surveyed in the current leak survey cycle.

(v) Number of meter/regulator runs at above grade transmission-distribution transfer stations surveyed in current leak survey cycle (sum of ''$Count_{MR,y}$'' from Equation W–31 of this subpart, for all calendar years in the current leak survey cycle).

(vi) Average time that meter/regulator runs surveyed in the current leak survey cycle were operational, in hours (average of ''$T_{w,y}$'' from Equation W–31 of this subpart, for all years included in the leak survey cycle).

(vii) Meter/regulator run $CO_2$ emission factor based on all surveyed transmission-distribution transfer stations in the current leak survey cycle, in standard cubic feet of $CO_2$ per meter/regulator run operating hour (''$EF_{s,MR,i}$'' for $CO_2$ calculated using Equation W–31 of this subpart).

(viii) Meter/regulator run $CH_4$ emission factor based on all surveyed transmission-distribution transfer stations in the current leak survey cycle, in standard cubic feet of $CH_4$ per meter/regulator run operating hour (''$EF_{s,MR,i}$'' for $CH_4$ calculated using Equation W–31 of this subpart).

(r) *Equipment leaks by population count.* If your facility is subject to the requirements of § 98.233(r), then you must report the information specified in paragraph (r)(1) of this section. Natural gas distribution facilities must also report the information specified in paragraph (r)(2) of this section. Onshore petroleum and natural gas production facilities must also report the information specified in paragraph (r)(3) of this section.

(1) You must indicate whether your facility contains any of the emission source types covered by § 98.233(r), for the applicable industry segment. You must report the information specified in paragraphs (r)(1)(i) through (r)(1)(v) of this section separately for each emission source type that is located at your facility. Onshore petroleum and natural gas production facilities must report the information specified in paragraphs (r)(1)(i) through (r)(1)(v) of this section separately by component type, service type, and geographic location (i.e., Eastern U.S or Western U.S.).

(i) Emission source type. Onshore petroleum and natural gas production facilities must report the component type, service type and geographic location.

(ii) Total number of the emission source type at the facility (''$Count_e$'' in Equation W–32A of this subpart).

(iii) Average estimated time that the emission source type was operational in the calendar year, in hours (''$T_e$'' in Equation W–32A of this subpart).

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, for the emission source type.

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, for the emission source type.

(2) Natural gas distribution facilities must also report the information specified in paragraphs (q)(2)(i) through (q)(2)(viii) of this of this section.

(i) Number of above grade transmission-distribution transfer stations at the facility.

(ii) Number of above grade metering-regulating stations that are not transmission-distribution transfer stations at the facility.

(iii) Number of below grade transmission-distribution transfer stations at the facility.

(iv) Number of below grade metering-regulating stations that are not transmission-distribution transfer stations at the facility.

(v) Total number of meter/regulator runs at above grade metering-regulating stations that are not above grade transmission-distribution transfer stations (''$Count_{MR}$'' in Equation W–32B of this subpart).

(vi) Average estimated time that each meter/regulator run was operational in the calendar year, in hours per meter/regulator run (''$T_{w,avg}$'' in Equation W–32B of this subpart).

(vii) Annual $CO_2$ emissions, in metric tons $CO_2$, from above grade metering regulating stations that are not above grade transmission-distribution transfer stations.

(viii) Annual $CH_4$ emissions, in metric tons $CH_4$, from above grade metering regulating stations that are not above grade transmission-distribution transfer stations.

(3) Onshore petroleum and natural gas production facilities must also report the information specified in paragraphs (r)(3)(i) and (r)(3)(ii) of this section.

(i) Calculation method used.

(ii) Onshore petroleum and natural gas production facilities must report the information specified in paragraphs (r)(3)(ii)(A) and (r)(3)(ii)(B) of this section, for each major equipment type, production type (i.e., natural gas or crude oil), and geographic location combination in Tables W–1B and W–1C of this subpart.

(A) An indication of whether the facility contains the major equipment type.

(B) If the facility does contain the equipment type, the count of the major equipment type.

(s) *Offshore petroleum and natural gas production.* You must report the information specified in paragraphs (s)(1) through (s)(3) of this section for each emission source type listed in the most recent BOEMRE study.

(1) Annual $CO_2$ emissions, in metric tons $CO_2$.

(2) Annual $CH_4$ emissions, in metric tons $CH_4$.

(3) Annual $N_2O$ emissions, in metric tons $N_2O$.

(t) [Reserved]

(u) [Reserved]

(v) [Reserved]

(w) EOR injection pumps. You must indicate whether $CO_2$ EOR injection was used at your facility during the calendar year and if any EOR injection pump blowdowns occurred during the year. If any EOR injection pump blowdowns occurred during the calendar year, then you must report the information specified in paragraphs (w)(1) through (w)(8) of this section for each EOR injection pump system.

(1) Sub-basin ID.

(2) EOR injection pump system identifier.

(3) Pump capacity, in barrels per day.

(4) Total volume of EOR injection pump system equipment chambers, in cubic feet (''$V_v$'' in Equation W–37 of this subpart).

(5) Number of blowdowns for the EOR injection pump system in the calendar year.

(6) Density of critical phase EOR injection gas, in kilograms per cubic foot (''$R_c$'' in Equation W–37 of this subpart).

(7) Mass fraction of $CO_2$ in critical phase EOR injection gas (''$GHG_{CO2}$'' in Equation W–37 of this subpart).

(8) Annual $CO_2$ emissions, in metric tons $CO_2$, from EOR injection pump system blowdowns.

(x) *EOR hydrocarbon liquids.* You must indicate whether hydrocarbon liquids were produced through EOR operations. If hydrocarbon liquids were produced through EOR operations, you must report the information specified in paragraphs (x)(1) through (x)(4) of this section for each sub-basin category with EOR operations.

(1) Sub-basin ID.

(2) Total volume of hydrocarbon liquids produced through EOR operations in the calendar year, in barrels (''$V_{hl}$'' in Equation W–38 of this subpart).

(3) Average $CO_2$ retained in hydrocarbon liquids downstream of the storage tank, in metric tons per barrel under standard conditions (''$S_{hl}$'' in Equation W–38 of this subpart).

(4) Annual $CO_2$ emissions, in metric tons $CO_2$, from $CO_2$ retained in hydrocarbon liquids produced through EOR operations downstream of the storage tank (''$Mass_{CO2}$'' in Equation W–38 of this subpart).

(y) [Reserved]

(z) *Combustion equipment at onshore petroleum and natural gas production facilities and natural gas distribution facilities.* If your facility is required by § 98.232(c)(22) or (i)(7) to report emissions from combustion equipment, then you must indicate whether your facility has any combustion units subject to reporting according to paragraphs (a)(1)(xvii) or (a)(8)(i) of this section. If your facility contains any combustion units subject to reporting according to paragraphs (a)(1)(xvii) or (a)(8)(i) of this section, then you must report the information specified in paragraphs (z)(1) and (z)(2) of this section, as applicable.

(1) Indicate whether the combustion units include: external fuel combustion units with a rated heat capacity less than or equal to 5 million Btu per hour; or, internal fuel combustion units that are not compressor-drivers, with a rated heat capacity less than or equal to 1 mmBtu/hr (or the equivalent of 130 horsepower). If the facility contains external fuel combustion units with a rated heat capacity less than or equal to 5 million Btu per hour or internal fuel combustion units that are not compressor-drivers, with a rated heat capacity less than or equal to 1 million Btu per hour (or the equivalent of 130 horsepower), then you must report the information specified in paragraphs (z)(1)(i) and (z)(1)(ii) of this section for each unit type.

(i) The type of combustion unit.

(ii) The total number of combustion units.

(2) Indicate whether the combustion units include: external fuel combustion units with a rated heat capacity greater than 5 million Btu per hour; internal fuel combustion units that are not compressor-drivers, with a rated heat capacity greater than 1 million Btu per hour (or the equivalent of 130 horsepower); or, internal fuel combustion units of any heat capacity that are compressor-drivers. If your facility contains: external fuel combustion units with a rated heat capacity greater than 5 mmBtu/hr; internal fuel combustion units that are not compressor-drivers, with a rated heat capacity greater than 1 million Btu per hour (or the equivalent of 130 horsepower); or internal fuel combustion units of any heat capacity that are compressor-drivers, then you must report the information specified in paragraphs (z)(2)(i) through (z)(2)(vi) for each combustion unit type and fuel type combination.

(i) The type of combustion unit.

(ii) The type of fuel combusted.

(iii) The quantity of fuel combusted in the calendar year, in thousand standard cubic feet, gallons, or tons.

(iv) Annual $CO_2$ emissions, in metric tons $CO_2$, calculated according to § 98.233(z)(1) and (z)(2).

(v) Annual $CH_4$ emissions, in metric tons $CH_4$, calculated according to § 98.233(z)(1) and (z)(2).

(vi) Annual $N_2O$ emissions, in metric tons $N_2O$, calculated according to § 98.233(z)(1) and (z)(2).

(aa) Each facility must report the information specified in paragraphs (aa)(1) through (aa)(9) of this section, for each applicable industry segment, by using best available data. If a quantity required to be reported is zero, you must report zero as the value.

(1) For onshore petroleum and natural gas production, report the data specified in paragraphs (aa)(1)(i) and (aa)(1)(ii) of this section.

(i) Report the information specified in paragraphs (aa)(1)(i)(A) through (aa)(1)(i)(D) of this section for the basin as a whole.

(A) The quantity of gas produced in the calendar year from wells, in thousand standard cubic feet. This includes gas that is routed to a pipeline, vented or flared, or used in field operations. This does not include gas injected back into reservoirs or shrinkage resulting from lease condensate production.

(B) The quantity of gas produced in the calendar year for sales, in thousand standard cubic feet.

(C) The quantity of crude oil produced in the calendar year for sales, not including lease condensates, in barrels.

(D) The quantity of lease condensate produced in the calendar year for sales, in barrels.

(ii) Report the information specified in paragraphs (aa)(1)(ii)(A) through (aa)(1)(ii)(M) of this section for each unique sub-basin category.

(A) State.

(B) County.

(C) Formation type.

(D) The number of producing wells at the end of the calendar year.

(E) The number of producing wells acquired during the calendar year.

(F) The number of producing wells divested during the calendar year.

(G) The number of wells completed during the calendar year.

(H) The number of wells taken out of production during the calendar year.

(I) Average mole fraction of $CH_4$ in produced gas.

(J) Average mole fraction of $CO_2$ in produced gas.

(K) If an oil sub-basin, report the average GOR of all wells, in thousand standard cubic feet per barrel.

(L) If an oil sub-basin, report the average API gravity of all wells.

(M) If an oil sub-basin, report average low pressure separator pressure, in pounds per square inch gauge.

(2) For offshore production, report the quantities specified in paragraphs (aa)(2)(i) through (aa)(2)(iii) of this section.

(i) The quantity of gas produced from the offshore platform in the calendar year for sales, in thousand standard cubic feet.

(ii) The quantity of oil produced from the offshore platform in the calendar year for sales, in barrels.

(iii) The quantity of condensate produced from the offshore platform in the calendar year for sales, in barrels.

(3) For natural gas processing, report the quantities specified in paragraphs (aa)(3)(i) through (aa)(3)(vii) of this section.

(i) The quantity of produced gas received at the gas processing plant in the calendar year, in thousand standard cubic feet.

(ii) The quantity of processed (residue) gas leaving the gas processing plant in the calendar year, in thousand standard cubic feet.

(iii) The quantity of NGLs (bulk and fractionated) received at the gas processing plant in the calendar year, in barrels.

(iv) The quantity of NGLs (bulk and fractionated) leaving the gas processing plant in the calendar year, in barrels.

(v) Average mole fraction of $CH_4$ in produced gas received.

(vi) Average mole fraction of $CO_2$ in produced gas received.

(vii) Indicate whether the facility fractionates NGLs.

(4) For natural gas transmission compression, report the quantity specified in paragraphs (aa)(4)(i) through (aa)(4)(v) of this section.

(i) The quantity of gas transported through the compressor station in the calendar year, in thousand standard cubic feet.

(ii) Number of compressors.

(iii) Total compressor power rating of all compressors combined, in horsepower.

(iv) Average upstream pipeline pressure, in pounds per square inch gauge.

(v) Average downstream pipeline pressure, in pounds per square inch gauge.

(5) For underground natural gas storage, report the quantities specified

in paragraphs (aa)(5)(i) through (aa)(5)(iii) of this section.

(i) The quantity of gas injected into storage in the calendar year, in thousand standard cubic feet.

(ii) The quantity of gas withdrawn from storage in the calendar year, in thousand standard cubic feet.

(iii) Total storage capacity, in thousand standard cubic feet.

(6) For LNG import equipment, report the quantity of LNG imported in the calendar year, in thousand standard cubic feet.

(7) For LNG export equipment, report the quantity of LNG exported in the calendar year, in thousand standard cubic feet.

(8) For LNG storage, report the quantities specified in paragraphs (aa)(8)(i) through (aa)(8)(iii) of this section.

(i) The quantity of LNG added into storage in the calendar year, in thousand standard cubic feet.

(ii) The quantity of LNG withdrawn from storage in the calendar year, in thousand standard cubic feet.

(iii) Total storage capacity, in thousand standard cubic feet.

(9) For natural gas distribution, report the quantities specified in paragraphs (aa)(9)(i) through (aa)(9)(vii) of this section.

(i) The quantity of natural gas received at all custody transfer stations in the calendar year, in thousand standard cubic feet. This value may include meter corrections, but only for the calendar year covered by the annual report.

(ii) The quantity of natural gas withdrawn from in-system storage in the calendar year, in thousand standard cubic feet.

(iii) The quantity of natural gas added to in-system storage in the calendar year, in thousand standard cubic feet.

(iv) The quantity of natural gas delivered to end users, in thousand standard cubic feet. This value does not include stolen gas, or gas that is otherwise unaccounted for.

(v) The quantity of natural gas transferred to third parties such as other LDCs or pipelines, in thousand standard cubic feet. This value does not include stolen gas, or gas that is otherwise unaccounted for.

(vi) The quantity of natural gas consumed by the LDC for operational purposes, in thousand standard cubic feet.

(vii) The estimated quantity of gas stolen in the calendar year, in thousand standard cubic feet.

(bb) For any missing data procedures used, report the information in paragraphs (bb)(1) through (bb)(5) in this section for each individual missing data value used in a calculation. Aggregation of missing data values within a component, well, sub-basin, or basin is not acceptable. If missing data is substituted for the same parameter in non-consecutive periods during the calendar year, the information in paragraphs (bb)(1) through (bb)(5) in this section should be reported for each period separately.

(1) The date(s) the missing data is used.

(2) The equation(s) in which the missing data is used.

(3) The description of the unique or unusual circumstance that led to missing data use, including information on any equipment or components involved and any procedures that were not followed.

(4) The description of the procedures used to substitute an unavailable value of a parameter.

(5) The description of how the owner or operator will avoid the use of missing data in the future, such as mitigation strategies or changes to standard operating procedures.

■ 9. Section 98.238 is amended by:

■ a. Adding a definition for ''Associated gas venting or flaring'' in alphabetical order;

■ b. Removing the definition for ''Component'';

■ c. Adding definitions for ''Compressor mode'' and ''Compressor source'' in alphabetical order;

■ d. Removing the definitions for ''Equipment leak'' and ''Equipment leak detection'';

■ e. Adding definitions for ''Manifolded compressor source'' and ''Manifolded group of compressor sources'' in alphabetical order;

■ f. Revising the definition for ''Meter/regulator run'';

■ g. Adding definitions for ''Reduced emissions completion'' and ''Reduced emissions workover'' in alphabetical order; and

■ h. Revising the definition for ''Sub-basin category, for onshore natural gas production''.

The revisions and additions read as follows:

**§ 98.238 Definitions.**

* * * * *

*Associated gas venting or flaring* means the venting or flaring of natural gas which originates at wellheads that also produce hydrocarbon liquids and occurs either in a discrete gaseous phase at the wellhead or is released from the liquid hydrocarbon phase by separation. This does not include venting or flaring resulting from activities that are reported elsewhere, including tank venting, well completions, and well workovers.

* * * * *

*Compressor mode* means the operational and pressurized status of a compressor. For a centrifugal compressor, ''mode'' refers to either operating -mode or not-operating-depressurized -mode. For a reciprocating compressor, ''mode'' refers to either: operating -mode, standby-pressurized -mode, or not-operating-depressurized -mode.

*Compressor source* means any type of vent or valve (i.e., wet seal, blowdown valve, isolation valve, or rod packing) on a centrifugal or reciprocating compressor.

* * * * *

*Manifolded compressor source* means a compressor source (as defined in this section) that is manifolded to a common vent that routes gas from multiple compressors.

*Manifolded group of compressor sources* means a collection of any combination of manifolded compressor sources (as defined in this section) that are manifolded to a common vent.

*Meter/regulator run* means a series of components used in regulating pressure or metering natural gas flow or both. At least one meter, at least on regulator, or any combination of both on a single run of piping is considered one meter/regulator run.

* * * * *

*Reduced emissions completion* means a well completion following hydraulic fracturing where gas flowback that is otherwise vented is captured, cleaned, and routed to the flow line or collection system, re-injected into the well or another well, used as an on-site fuel source, or used for other useful purpose that a purchased fuel or raw material would serve, with no direct release to the atmosphere.

*Reduced emissions workover* means a well workover with hydraulic fracturing (i.e., refracturing) where gas flowback that is otherwise vented is captured, cleaned, and routed to the flow line or collection system, re-injected into the well or another well, used as an on-site fuel source, or used for other useful purpose that a purchased fuel or raw material would serve, with no direct release to the atmosphere.

* * * * *

*Sub-basin category, for onshore natural gas production,* means a subdivision of a basin into the unique combination of wells with the surface coordinates within the boundaries of an individual county and subsurface completion in one or more of each of the following five formation types: Oil, high

permeability gas, shale gas, coal seam, or other tight gas reservoir rock. The distinction between high permeability gas and tight gas reservoirs shall be designated as follows: High permeability gas reservoirs with >0.1 millidarcy permeability, and tight gas reservoirs with ≤0.1 millidarcy permeability. Permeability for a reservoir type shall be determined by engineering estimate. Wells that produce only from high permeability gas, shale gas, coal seam, or other tight gas reservoir rock are considered gas wells; gas wells producing from more than one of these formation types shall be classified into only one type based on the formation with the most contribution to production as determined by engineering knowledge. All wells that produce hydrocarbon liquids (with or without gas) and do not meet the definition of a gas well in this sub-basin category definition are considered to be in the oil formation. All emission sources that handle condensate from gas wells in high permeability gas, shale gas, or tight gas reservoir rock formations are considered to be in the formation that the gas well belongs to and not in the oil formation.

* * * * *

[FR Doc. 2014–04408 Filed 3–7–14; 8:45 am]

**BILLING CODE 6560–50–P**

# FEDERAL REGISTER

Vol. 79 Monday,

No. 46 March 10, 2014


Part III

## Department of Transportation

Federal Transit Administration

FTA Fiscal Year (FY) 2014 Apportionments, Allocations, and Program Information; Notice

## DEPARTMENT OF TRANSPORTATION

## Federal Transit Administration

## FTA Fiscal Year (FY) 2014 Apportionments, Allocations, and Program Information

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Notice.

**SUMMARY:** On January 17, 2014, President Obama signed the Consolidated Appropriations Act, 2014, (FY 2014 Appropriations) which provided a full fiscal year's funding for Federal Transit Assistance programs. Previous continuing resolutions had provided funds through January 18, 2014. The Federal Transit Administration (FTA) annually publishes one or more notices apportioning funds appropriated by law. This notice apportions and provides information on the FY 2014 funding available for the FTA assistance programs, and provides program guidance and requirements, and information on several program issues important in the current year. This notice also provides information on FTA's discretionary programs and forthcoming program guidance.

**FOR FURTHER INFORMATION CONTACT:** For general information about this notice contact Jamie Pfister, Director, Office of Transit Programs, at (202) 366–2053. Please contact the appropriate FTA regional office for any specific requests for information or technical assistance. A list of FTA regional offices and contact information is available on the FTA Web site under the heading ''Regional Offices'' at *http://www.fta.dot.gov.* An FTA headquarters contact for each major program area is included in the discussion of that program in the text of the notice.

**SUPPLEMENTARY INFORMATION:**

**Table of Contents**

I. Overview
II. FY 2014 Available Funding for FTA Programs
A. Funding Based on the Consolidated Appropriations Act, 2014
B. Oversight Takedown
C. FY 2014 Formula Apportionments; Data and Methodology
D. FY 2014 Discretionary Program Funding
III. FY 2014 Program Highlights and Changes
A. MAP–21 Implementation
B. FHWA Congestion Mitigation and Air Quality Funds for Operating Assistance
C. Transitioning to a New Electronic Grant Management System
D. Flood Insurance
E. New Common Rule
IV. FY 2014 Program Specific Information
A. Metropolitan Planning Program (49 U.S.C. 5305(d))
B. State Planning and Research Program (49 U.S.C. 5305(e))
C. Urbanized Area Formula Program (49 U.S.C. 5307)
D. Fixed Guideway Capital Investment Grant Program (49 U.S.C. 5309)—New and Small Starts and Core Capacity
E. Enhanced Mobility of Seniors and Individuals With Disabilities Program (49 U.S.C. 5310)
F. Rural Area Formula Program (49 U.S.C. 5311)
G. Rural Transportation Assistance Program (49 U.S.C. 5311(b)(3))
H. Appalachian Development Public Transportation Assistance Program (49 U.S.C. 5311(c)(2))
I. Formula Grants for Public Transportation on Indian Reservations Program (49 U.S.C. 5311(j))
J. Research, Development, Demonstration, and Deployment Projects (49 U.S.C. 5312)
K. Transit Cooperative Research Program (49 U.S.C. 5313)
L. Technical Assistance and Standards Development (49 U.S.C. 5314)
M. Human Resources and Training Programs (49 U.S.C. 5322)
N. Public Transportation Emergency Relief Program (49 U.S.C. 5324)
O. Public Transportation Safety Program (49 U.S.C. 5329)
P. State of Good Repair Program (49 U.S.C. 5337)
Q. Bus and Bus Facilities Formula Grants (49 U.S.C. 5339)
R. Growing States and High Density States Formula Factors (49 U.S.C. 5340)
S. Washington Metropolitan Area Transit Authority Grants (section 601 of Pub. L. 110–432)
V. FTA Policy and Procedures for FY 2014 Grants
A. Automatic Pre-Award Authority To Incur Project Costs
B. Letter of No Prejudice (LONP) Policy
C. FY 2014 Annual List of Certifications and Assurances
D. Civil Rights
E. FHWA Flex Funds and Consolidated Planning Grants
F. Grant Application Procedures
G. Grant Management

### I. Overview

On October 1, 2012, the Moving Ahead for Progress in the 21st Century Act (MAP–21) (Pub. L. 112–141) authorized the Federal Transit Administration's (FTA) public transportation assistance programs for FYs 2013–2014. A notice announcing changes and implementation instructions in FTA programs in accordance with MAP–21 was published in the **Federal Register** on October 16, 2012. (See 77 FR 63669). On January 17, 2014, the FY 2014 Appropriations Act (Pub. L. 113–76) was signed into law, providing a full fiscal year of funding for FTA's programs as authorized by MAP–21. Prior to January 17, 2014, Congress provided partial funding for FY 2014 through continuing resolutions (Pub. L. 113–46 and Pub. L. 113–73). This notice apportions formula funds based on the Appropriations Act, 2014. In addition, this notice provides funding information for FTA's FY 2014 discretionary programs, including the FY 2014 Capital Investment Grant (CIG) Program allocations and prior year discretionary programs and their unobligated balances. Finally, this notice provides program information, including the status of MAP–21 implementation for many of the grant programs.

Consistent with the budget authority provided in MAP–21, for FTA's formula programs, the FY 2014 Appropriations provides an obligation limitation of $8.595 billion in FY 2014. The FY 2014 Appropriations also provides $150 million in FY 2014 for grants to the Washington Metropolitan Area Transportation Authority; $1.943 billion for the Capital Investment Grant Program; and $48 million for the Research, Technical Assistance and Training Programs.

### II. FY 2014 Available Funding for FTA Programs

#### *A. Funding Based on the Consolidated Appropriations Act, 2014*

The FY 2014 Appropriations Act provides $ 10.841 billion for FTA programs and administrative expenses in FY 2014, of which $8.595 billion is derived from the Mass Transit Account of the Highway Trust Fund and is available for formula programs. This is in addition to over $7 billion in formula funds that remain unobligated from prior fiscal years. The FY 2014 Appropriations Act also provides $93.269 million in FY 1999 through 2010 unobligated discretionary bus and bus facilities funds for new bus rapid transit projects recommend in the President's FY 2014 budget submission to Congress provided that such funds are subject to the Capital Investment Grant (CIG) Program requirements under 49 U.S.C. 5309, and permits unobligated and recovered FY 2010 through 2012 funds for 49 U.S.C. 5339, Alternative Analysis, to be used for CIG purposes as well.

#### *B. Oversight Takedown*

In order to conduct program oversight activities in accordance with 49 U.S.C. 5338(i), 0.5 percent is set aside from the amounts available to carry out the Planning Programs (section 5305); the Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (section 5310); and the Rural

Areas Formula Grants Program (section 5311). In addition, 0.75 percent is set aside from amounts made available to carry out the Urbanized Area Formula Grants Programs, and the High Intensity Fixed Guideway State of Good Repair Formula Program (section 5337(c)). Additionally, one percent of the amounts made available to carry out the CIG Program (section 5309) as well as one percent of the amounts available for grants to the Washington Metropolitan Area Transit Authority (section 601 of the Passenger Rail Investment and Improvement Act of 2008 (Pub. L. 110–432)) is set aside for oversight activities.

*C. FY 2014 Formula Apportionments; Data and Methodology*

FTA is publishing apportionment tables on its Web site for each program that reflects the full year appropriations less oversight take-downs, as applicable. FTA is continuing to use, as it did in FY 2013, urbanized area and demographic data from the 2010 Census. Tables displaying the funds available to eligible states, tribes, and urbanized areas have been posted on FTA's Web site at *http://www.fta.dot.gov/apportionments*.

1. National Transit Database and Census Data Used in the FY 2014 Apportionments

Consistent with past practices, the calculations for sections 5307, 5311, including 5311(j) (''Tribal Transit''), 5329, 5337, and 5339 programs rely on transit service data reported to the National Transit Database (NTD) in 2012, the most recent year that NTD data is available. In some cases where an apportionment is based on the age of the system, the age is calculated as of September 30, 2013. Any recipient or beneficiary of either the section 5307 or section 5311 program funds is required to report to the NTD. Additionally, a number of transit operators report to the NTD on a voluntary basis. For 2012, the NTD includes data from 821 reporters in urbanized areas, 795 of which reported operating transit service. The NTD reports 1,256 providers of rural transit reserve, which includes 130 Indian Tribes providing transit service.

The tiers of the sections 5303, 5305, 5307 and 5339 formulas that are based on population and population density continue to rely on data published by the 2010 Census, as required by MAP–21. Likewise, the tiers of the section 5311 formula that are based on rural population and rural land area are calculated using 2010 Census data.

Sections 5307, 5311, and 5311(j) formulas include tiers where funding is allocated on the basis of the number of persons living in poverty and the section 5310 formula allocates funding on the basis of the population of older adults and people with disabilities. The Census Bureau no longer publishes decennial census data on persons living in poverty and persons with disabilities. As a result, FTA uses the data for these populations available via the Census' American Community Survey (ACS), which is updated annually.

The FY 2014 apportionments use data on low-income persons, persons with disabilities, and older adults from the 2008–2012 ACS five-year data set, which was published in December 2013. This data set provides the first estimates that are based on the new Urbanized Area boundaries from the 2010 Census.

Future apportionments will be based on the most-recent three-year ACS estimates that are available as of October 1st for the year being apportioned. This is consistent with the policies FTA has used for NTD data in the past. This policy provides predictability in the data to be used for the apportionment, without being contingent on the variable dates on which an appropriation is enacted into law, or on which an apportionment notice is formally published. In addition, it is consistent with the fact that even when an appropriation is enacted after the fiscal year, which begins on October 1st, the amount appropriated is based on that full fiscal year.

The NTD and census data that FTA used to calculate the apportionments associated with this notice can be found on FTA's Web site: *www.fta.dot.gov/apportionments*.

2. Updates to Formula Calculation Methodology for the FY 2014 Apportionments

Section 5336(d)(2) directs FTA to ''publish apportionments of the amounts, including amounts attributable to each urbanized area with a population of more than 50,000 and amounts attributable to each State of a multistate urbanized area on the apportionment date.''

In response to this requirement, which was present for the first time in FY 2013, FTA calculated each state's share of a multi-state urbanized area (UZA), as well as the apportionment to the UZA as a whole, by pro-rating population and NTD data attributable to each state's component of the multi-state UZA, calculating each state's share of the funding allocations to the multi-state UZA based on the formula for urbanized area grants set forth in section 5336, and aggregating the allocations to the UZA level.

For the FY 2014 section 5307 apportionments, FTA is calculating funds to the multi-state UZAs first and then pro-rating the funds to the component states in the UZA. This methodology aims to make it easier for practitioners in multi-state UZAs to use FTA's formula unit values table and is also consistent with how the section 5307 formula was calculated under the Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Pub. L. 109–59, SAFETEA–LU).

For the FY 2014 apportionments, FTA will pro-rate each state's share of the multi-state UZA apportionment on the basis of the share of the population residing in the component states of the multi-state UZA as determined by the 2010 Decennial Census. This methodology should more-accurately suballocate funds than a methodology that relied, in part, on the state within the multistate UZA that a transit agency is headquartered (regardless of where within the multistate UZA the agency provides public transportation service).

As was the case in FY 2013 the amounts showing each state's share of a multistate UZA's apportionment are for illustrative purposes only. Designated recipients must continue to sub-allocate funds allocated to a UZA based on a locally determined process, consistent with section 5307 statutory requirements.

The FY 2013 full-year section 5303 Statewide Planning apportionments published in May 2013 inadvertently neglected to provide the statutorily required 0.5 percent funding floor to the State of Arkansas, resulting in Arkansas being allocated $1,333 less than it should have received under these allocations. The FY 2014 Statewide planning apportionment includes a technical correction that provides $1,333 to Arkansas in addition to the funds allocated for FY 2014. A total of $1,333 was deducted from all other States' section 5303 allocation on the basis of the states' overall share of the statewide planning allotment in FY 2014.

*D. FY 2014 Discretionary Program Funding*

1. Notices of Funding Availability

MAP–21 authorized several discretionary grant programs, such as the Transit-Oriented Development (TOD) Planning Pilot Program, Low or No Emissions Bus and Facilities Program, Tribal Transit Discretionary Program, and Passenger Ferry Program. FTA will publish individual Notices of Funding Availability (NOFAs) for some of these programs in the coming months now that the FY 2014 full-year appropriations are available. NOFAs

will be posted in Grants.Gov and on FTA's Web site once published in the **Federal Register**.

In some cases, FTA may use proposals received under the FY 2013 NOFAs for purposes of allocating FY 2014 funds.

FTA published the FY 2013 NOFA for the Low or No Emissions Bus and Facilities Program on January 19, 2014. Applicants can apply for funding through March 10, 2014. *http://www.fta.dot.gov/grants/13077_15782.html*.

2. Research, Technical Assistance, and Training Program Funding

The FY 2014 Appropriations provides approximately $48 million for Research Technical Assistance and Training program activities of which $40 million is available to carry out Research, Development, Demonstration, and Development projects under 49 U.S.C. 5312, and $3 million is available for Transit Cooperative Research Program activities under 49 U.S.C. 5313. In addition, $3 million is available for Technical Assistance and Standards Development under 49 U.S.C. 5314 and $2 million is provided to carry out Human Resource and Training activities under 49 U.S.C. 5322(a) and (b). More information about these programs can be found in Section IV of this notice.

3. FY 2014 Fixed Guideway Capital Investment Grant Program Allocations

The Fixed Guideway Capital Investment Grant (CIG) Program (49 U.S.C 5309), which historically authorizes the New and Small Starts Programs and now includes the Core Capacity Improvement Program, is excluded from the NOFA process because the program has an ongoing project development and review process, and funding is allocated consistent with information already available to FTA. By way of this notice, however, FTA is publishing the FY 2014 CIG Allocations table (Table 7) to its Web site for approximately $2.132 billion available to carry out the program. These projects were included in the FY 2014 *Annual Report on Funding Recommendations for CIG Program* published on April 12, 2013. Pursuant to FY 2014 appropriations, prior year unobligated or recovered section 5339 (Alternatives Analysis) funds are made available to carry out 49 U.S.C. 5309 for New Starts, Small Starts, or Core Capacity projects as applicable. And, prior year unobligated or recovered section 5309 (Discretionary Bus and Bus Facilities) funds are available to carry out bus rapid transit (BRT) projects subject to the requirements of the CIG program. More information about this program and the CIG FY 2014 Allocations can be found in Section IV of this notice.

4. Unobligated Prior Year Discretionary Allocations

FTA is posting tables of prior year discretionary allocations that remain unobligated as of September 30, 2013 to its FY 2014 Apportionments Web page. These tables can be found here: *www.fta.dot.gov/apportionments* and are numbered Tables 14–18. Each table contains information pertaining to the lapse date of these funds.

## III. FY 2014 Program Highlights and Changes

### *A. MAP–21 Implementation*

As a result of the MAP–21 authorization and in addition to regulatory activities, FTA is in the process of updating program circulars to reflect MAP–21 changes and provide guidance for new and existing programs. Below is a chart of publication dates or expected publication dates for the program circulars. FTA publishes the draft circulars for notice and comment, taking into consideration all comments received prior to final publication. In the interim and until FTA publishes final program circulars, existing program circulars combined with the interim guidance in the October 16, 2012 apportionment notice can be used to administer the programs. FTA's electronic grant management system and financial systems both have been updated to reflect new programs and new codes provided by MAP–21. If there are additional questions about the major formula programs or grants, please contact your regional office or the Headquarters program contacts listed in Section IV of this notice.

| Program | Expected/actual publication date (for Notice and Comment) | Expected/actual publication of final circular |
|---|---|---|
| Urbanized Area Formula Grant Program (Section 5307) | April 22, 2013 | January 16, 2014. |
| Enhanced Mobility for Seniors and Individuals with Disabilities (Section 5310) | July 11, 2013 | Spring 2014. |
| Rural Areas Formula Program (Section 5311) | September 26, 2013 | Spring 2014. |
| State of Good Repair Formula Program (Section 5337) | Spring 2014 | Fall 2014. |
| Bus and Bus Facilities Formula Program (Section 5339) | Spring 2014 | Fall 2014. |

On October 3, 2013 FTA published an expansive Advanced Notice of Proposed Rulemaking (ANRPM) in the **Federal Register** requesting comment on a number of questions related to the implementation of the new requirements under MAP–21 for a National Transit Safety Plan, a requirement for Agency Safety Plans, a new Safety Certification Training Program, and a new National Transit Asset Management System. The comment period for this ANPRM closed on January 2, 2014. FTA is currently engaged in the process of reviewing approximately 2,500 pages of comments from more than 140 commenters. FTA intends to begin issuing formal Notices of Proposed Rulemakings (NPRMs) on these topics in late 2014 or in 2015.

FTA is also continuing to work with States with rail fixed guideway public transportation systems (rail fixed guideway public transportation systems or rail transit systems) to develop and carry out State Safety Oversight (SSO) Programs consistent with the requirements of MAP–21. On October 1, 2013, FTA announced the initial certification status of each State and is now working with each State to address, among other things, identified gaps in their SSO Programs (SSO Program or SSOP) with MAP–21 requirements and to develop work plans to address these gaps as well as enhance a State's SSOP. In a separate notice, FTA will be providing the new formula for the SSO Formula Grant Program apportioning FYs 2013 and 2014 funds that may be used to support a State's SSOP that meets the requirements of 49 U.S.C. 5329(e), as amended by MAP–21. FTA is also developing a Notice of Proposed Rulemaking to propose its plan to implement the SSO Program and seek feedback from the transit industry. Additional information on FTA's safety authority and the requirements under section 5329 can be found in Section IV.O. of this notice.

*B. Federal Highway Administration (FHWA) Congestion Mitigation and Air Quality Improvement Program (CMAQ) Funds for Operating Assistance*

Section 125 of the 2014 Appropriations included changes to the operating assistance section of the CMAQ program (23 U.S.C. 149(m)). The changes added new language that prohibits the imposition of a time limitation for operating assistance eligibility on a system *''for which CMAQ funding was made available, obligated or expended in fiscal year 2012.''* The Federal Highway Administration (FHWA) understands this change is not consistent with the language in its CMAQ Interim Guidance available at *http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/2013_guidance/index.cfm*. FHWA, working with FTA, will provide further guidance to implement this change. However, funds transferred in FY 2014 or later (on or after October 1, 2013) for operating assistance projects for which CMAQ funding was made available, obligated or expended in FY 2012 could be eligible for operating assistance without a time limitation, based on the change in the 2014 Appropriations Act. FTA will work with grantees at the time of grant application to verify eligibility for this provision. More information about this provision and the expected procedures can be found in Section V of this notice.

For CMAQ projects not affected by the provision in Section 125 prohibiting time limitations on operating assistance, grantees are to refer to the interpretation in the CMAQ Interim Guidance with regard to eligibility and time frames for operating assistance (i.e., eligibility for three years, with the option to spread the third year over an additional two years).

*C. Transitioning to a New Electronic Grant Management System*

FTA will continue to use its Transportation Electronic Award Management System (TEAM) to award and manage all grants, cooperative agreements, and other funding instruments throughout FY 2014. However, beginning in October 2014 FTA expects to award and manage grants through the Transit Award Management System (TrAMS), the successor to TEAM.

When deployed, TrAMS aims to offer a more efficient, user-friendly, and flexible tool to award and manage grants and cooperative agreements. It seeks to provide more useful information, and will strengthen the integrity and consistency of our grants award and management process.

FTA has created a page on its Web site, *http://www.fta.dot.gov/TrAMS* to provide additional information and updates on our new grant making system. Individuals who would like access to this Web site should contact their FTA regional office for the password to use or send an email to *fta.trams@dot.gov*.

FTA will provide training and technical assistance on using TrAMS. Training will include live, hands-on workshops, where feasible, as well as training videos and guidance and technical assistance documents. More information on upcoming training will be posted at *http://www.fta.dot.gov/TrAMS*.

FTA also will migrate data, information, and attachments about current funding recipients and their awarded grants from TEAM into TrAMS and will provide grantees with the opportunity to verify that their organizations' information has been migrated successfully.

TrAMS, by design, collects and presents information contained in new grant applications differently than TEAM, which will make it difficult to migrate applications that have not yet been awarded by the end of FY 2014 into the new system. FTA will make a concerted effort to award all pending grant applications in TEAM by the end of FY 2014 and prior to TrAMS becoming available. However, recipients should be aware that grant applications must be in submitted status in TEAM by June 30, 2014 so that FTA has adequate time to award the grant by the end of FY 2014, when TrAMS is first expected to become operational. FTA cannot guarantee that applications not awarded in TEAM by the end of FY 2014 will be migrated into TrAMS. If an application is not migrated into the new system, the recipient will need to re-create their application in TrAMS in FY 2015.

In addition, in order to minimize the amount of data and information that needs to be migrated into TrAMS, FTA encourages its grantees to promptly close any awarded grants where funds are fully disbursed or where the grantees no longer plan to implement the projects funded in the grant. FTA grantees will be able to use TrAMS to manage active grants where work on the transit projects identified in the grant is ongoing. (These grants will be migrated from TEAM to TrAMS).

*D. Flood Insurance*

Recipients are reminded they need to maintain flood insurance for any building located in a special flood hazard area that received Federal financial assistance. Section 102 of the Flood Disaster Protection Act of 1973 (FDPA) prohibits the Federal government from providing funds for acquisition or construction of buildings located in a special flood hazard area (100-year flood zone) unless the owner of the property first has obtained flood insurance. FTA's Master Agreement and annual Certifications and Assurances reference FDPA and recipients agree they will have flood insurance for buildings in a special flood hazard area.

Specifically, Federal agencies may not provide any financial assistance for the acquisition, construction, reconstruction, repair, or improvement of a building unless the recipient has first acquired flood insurance under the National Flood Insurance Act to cover the buildings constructed or repaired with Federal funds. The Federal Emergency Management Agency (FEMA) has defined ''building'' in its regulations implementing the National Flood Insurance Program (NFIP) as ''a building with two or more outside rigid walls and a fully secured roof that is affixed to a permanent site.'' In addition, where structures are both above and below ground, the flood insurance requirement applies where at least 51 percent of the cash value of the structure, less land value, is above ground.

This flood insurance requirement applies to transit facilities such as maintenance facilities, storage facilities, and above-ground stations/terminals, as well as equipment and fixtures in the facilities. It does not apply to underground subway stations, track, tunnels, ferry docks, or to any transit assets outside of a special flood hazard area.

A covered structure must be insured through the NFIP or a comparable private policy. The policy must provide coverage at least equal to the project cost for which Federal assistance is provided, or to the maximum limit of coverage available under the National Flood Insurance Act (currently $500,000 for buildings and $500,000 for equipment and fixtures), whichever amount is less. Facilities owned by state governments may be self-insured, but only where FEMA has approved the state's self-insurance policy. Private entities, and public entities other than state governments, may not self-insure and must obtain a flood insurance policy before receiving Federal funds and maintain the policy subsequent to grant award.

*E. New Common Rule*

On December 26, 2013 the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A–102 and Circular A–110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A–21 or 2 CFR part 220; Circular A–87 or 2 CFR part 225; and A–122, 2 CFR part 230). Additionally it replaces Circular A–133 guidance on the Single Annual Audit.

For the most part 2 CFR Part 200 does not substantially change Administrative Requirements as experienced by FTA grantees. However, FTA will be working to update its guidance to ensure it is consistent with the new Common Rule. Until that time grantees should continue to follow FTA Circular 5010.1D, *''Grant Management Requirements''* as last revised on August 27, 2012.

## IV. FY 2014 Program Specific Information

*A. Metropolitan Planning Program (49 U.S.C. 5305(d))*

Section 5305(d) authorizes Federal funding to support a cooperative, continuous, and comprehensive planning program for transportation investment decision-making at the metropolitan area level. The specific requirements of metropolitan transportation planning are set forth in 49 U.S.C. 5303 and further explained in 23 CFR Part 450, as incorporated by reference in 49 CFR Part 613, Statewide Transportation Planning; Metropolitan Transportation Planning; Final Rule. FTA apportions funds directly to State Departments of Transportation (DOTs). State DOTs then allocate the funds to Metropolitan Planning Organizations (MPOs), for planning activities that support the economic vitality of the metropolitan area.

MAP–21 requires that the metropolitan transportation planning process must provide for the establishment of a performance-based approach to decision-making. Upon publication of a final rule on the metropolitan transportation planning program, MPOs will be required to establish specific performance targets that address transportation system performance measures (to be issued by U.S. DOT), where applicable, to use in tracking progress towards attaining critical outcomes. These performance targets will be established by MPOs in coordination with States and transit providers. MPOs also will be required to provide a system performance report that evaluates their progress in meeting the performance targets in comparison with the system performance identified in prior reports.

This funding must support work elements and activities resulting in balanced and comprehensive intermodal transportation planning for the movement of people and goods in the metropolitan area. Comprehensive transportation planning is not limited to transit planning or surface transportation planning, but also encompasses the relationships among land use and all transportation modes, without regard to the programmatic source of Federal assistance. Eligible work elements or activities include, but are not limited to, studies relating to management, mobility management, planning, operations, capital requirements, and economic feasibility; evaluation of previously funded projects; peer reviews and exchanges of technical data, information, assistance, and related activities in support of planning and environmental analysis among MPOs and other transportation planners; work elements and related activities preliminary to and in preparation for constructing, acquiring, or improving the operation of facilities and equipment; and development of coordinated public transit human services transportation plans. An exhaustive list of eligible work activities is provided in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008. For more about the Metropolitan Planning Program, contact Victor Austin, Office of Planning and Environment at (202) 366–2996 or *victor.austin@dot.gov*.

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $106,543,360 for the Metropolitan Planning Program (section 5305(d)) to support metropolitan transportation planning activities set forth in section 5303. The total amount apportioned for the Metropolitan Planning Program to States for MPOs' use in urbanized areas (UZAs) is $106,570,979 as shown in the table below, after the deduction for oversight (authorized by section 5338) and including reapportioned funds.

METROPOLITAN PLANNING PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $106,543,360 |
| Oversight Deductions | −532,717 |
| Reapportioned Funds | 560,336 |
| Total Apportioned | 106,570,979 |

States' apportionments for this program are displayed in Table 2.

2. Basis for Allocation

Eighty percent of the funds are apportioned to the States based on the most recent decennial Census for each State's UZA population. The remaining 20 percent is provided to the States with UZAs with one million or more in population in order to address planning needs in larger, more complex UZAs.

3. Requirements

The State allocates Metropolitan Planning funds to MPOs in UZAs or portions thereof to provide funds for planning projects included in a one or two-year program of planning work activities (the Unified Planning Work Program, or UPWP). The UPWP includes multimodal systems planning activities spanning both highway and transit planning topics. Each State has either reaffirmed or developed, in consultation with their MPOs, an allocation formula among MPOs within the State, based on the 2010 Census. The allocation formula among MPOs in each State may be changed annually, but the FTA regional office must approve any change before grant award. Program guidance for the Metropolitan Planning Program is found in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008.

4. Period of Availability

The Metropolitan Planning program funds apportioned in this notice are available for obligation during FY 2014 plus three additional fiscal years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017, will revert to FTA for reapportionment under the Metropolitan Planning program.

*B. State Planning and Research Program (49 U.S.C. 5305(e))*

This program provides financial assistance to States for statewide transportation planning and other technical assistance activities, including supplementing the technical assistance program provided through the Metropolitan Planning program. The specific requirements of Statewide

transportation planning are set forth in 49 U.S.C. 5304 and further explained in 23 CFR Part 450 as referenced in 49 CFR Part 613, Statewide Transportation Planning; Metropolitan Transportation Planning; Final Rule. This funding must support work elements and activities resulting in balanced and comprehensive intermodal transportation planning for the movement of people and goods. Comprehensive transportation planning is not limited to transit planning or surface transportation planning, but also encompasses the relationships among land use and all transportation modes, without regard to the programmatic source of Federal assistance. For more information, contact Victor Austin, Office of Planning and Environment at (202) 366–2996 or *victor.austin@dot.gov*.

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $22,256,640 for the State Planning and Research Program (section 5305(e)). The total amount apportioned for the State Planning and Research Program (SPRP) is $22,910,721 as shown in the table below, after the deduction for oversight (authorized by section 5338) and including reapportioned funds.

STATEWIDE PLANNING PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $22,256,640 |
| Oversight Deductions | −111,283 |
| Reapportioned Funds | 765,364 |
| Total Apportioned | 22,910,721 |

States' apportionments for this program are displayed in Table 2.

2. Basis for Allocation

FTA apportions funds to States by a statutory formula that is based on the most recent decennial Census data available, and the State's UZA population as compared to the UZA population of all States.

3. Requirements

Funds are provided to States for statewide transportation planning programs. These funds may be used for a variety of purposes such as planning, technical studies and assistance, demonstrations, and management training. In addition, a State may authorize a portion of these funds to be used to supplement Metropolitan Planning funds allocated by the State to its UZAs, as the State deems appropriate. Program guidance for the State Planning and Research program is found in FTA Circular 8100.1C, *Program Guidance for Metropolitan Planning and State Planning and Research Program Grants,* dated September 1, 2008.

MAP–21 requires that the statewide and non-metropolitan transportation planning process must provide for the establishment and use of a performance-based approach to decision-making. Upon publication of a final rule on the statewide and non-metropolitan transportation planning program, State Departments of Transportation will be required to establish specific performance targets that address transportation system performance measures (to be issued by U.S. DOT), where applicable, to use in tracking progress towards attaining critical outcomes. These performance targets will be established by States in coordination with MPOs and transit providers. States will be encouraged to provide a system performance report that evaluates their progress in meeting the performance targets in comparison with the system performance identified in prior reports.

4. Period of Availability

The State Planning and Research program funds apportioned in this notice are available for obligation during FY 2014 plus three additional fiscal years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the State Planning and Research program.

*C. Urbanized Area Formula Program (49 U.S.C. 5307)*

Section 5307 authorizes Federal assistance for capital, planning, job access and reverse commute projects, and, in some cases, operating assistance for public transportation in urbanized areas. An urbanized area (UZA) is an area with a population of 50,000 or more that has been defined and designated as such by the U.S. Census Bureau.

FTA calculates an apportionment amount for each UZA based on statutory formulas. For UZAs with populations of 200,000 or more, FTA apportions funds directly to one or more Designated Recipients, which are local or statewide agencies appointed by the Governor in accordance with sections 5303 and 5304, to receive and allocate section 5307 funds to eligible public transportation projects in the UZA. For UZAs with populations between 50,000 and 200,000, FTA apportions funds directly to the Governor for allocation to those areas in the State. Eligible funding recipients are limited to Designated Recipients and other local government authorities that a Designated Recipient authorizes to apply for the funds directly to FTA.

FTA published a revised FTA Circular 9030.1E, *Urbanized Area Formula Program: Program Guidance and Application Instructions* on January 16, 2014, incorporating changes resulting from MAP–21. This circular was made available for public comment prior to final publication, and the final circular incorporates and responds to comments received. This revised circular is in effect for all grants awarded after the date of its publication. The revised circular can be accessed at *www.fta.dot.gov/circulars.*

Recipients should be aware of several program clarifications and changes addressed in the circular, which were established by MAP–21 and took effect beginning in FY 2013. Changes include a new provision allowing operating assistance for transit agencies in UZAs over 200,000 in population that operate a maximum of 100 buses in fixed route service during peak service hours, the eligibility of job access and reverse commute projects, changes in the definition of ''capital project,'' expanded eligibility for sources of local match, and the replacement of ''transit enhancements'' with the ''associated transit improvements'' category. These and other changes, including clarifications on existing requirements under the program, are incorporated in the FTA Circular 9030.1E. For more information about the Urbanized Area Formula Program contact Adam Schildge, Office of Transit Programs, at (202) 366–0778 or *adam.schildge@dot.gov*.

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $4,458,650,000 for the Urbanized Area Formula Program (section 5307). The total amount apportioned to UZAs is $4,833,448,449, which includes the addition of amounts apportioned to UZAs pursuant to the section 5340 Growing States and High Density States Formula factors and reapportioned funds. This amount excludes the set-aside for the Passenger Ferry Discretionary Program, apportionments under the State Safety Oversight Program, and oversight (authorized by section 5338), as shown in the table below.

URBANIZED AREA FORMULA PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation ..... | [a] $4,458,650,000 |
| Ferry Discretionary Program ..... | −30,000,000 |
| State Safety Oversight Program ..... | −22,293,250 |
| Oversight Deduction ..... | −33,439,875 |
| Section 5340 Funds Added ..... | 450,840,320 |
| Reapportioned Funds ... | 9,691,254 |
| Total Apportioned .. | 4,833,448,449 |

[a] Includes 1.5 percent set-aside for Small Transit Intensive Cities Formula.

Table 3 displays the amounts apportioned under the Urbanized Area Formula Program.

2. Basis for Allocation

Beginning in FY 2013 and continued in FY 2014, MAP–21 made several changes to the formula for this program. Specifically, section 5336(h) provides that 3.07 percent of section 5307 funds available for apportionment are allocated on the basis of low-income persons residing in UZAs, with 25 percent of these funds allocated to areas below 200,000 in population, and the remaining 75 percent allocated to areas 200,000 and over in population. MAP–21 also increased the percentage of funds allocated on the basis of Small Transit Intensive Cities (STIC) factors from 1 to 1.5 percent. Finally, MAP–21 established a new 0.5 percent takedown for a State Safety Oversight formula grant program. These funds are apportioned to States using a separate formula.

FTA apportions Urbanized Area Formula Program funds based on statutory formulas. Congress established four separate formulas that are used to apportion portions of the available funding: the section 5307 Urbanized Area Formula Program formula, the Small Transit Intensive Cities (STIC) formula, the Growing States and High Density States formula, and a formula based on low-income population. Additional information on these formulas is provided in the following subsections.

Consistent with prior apportionment notices, Table 3 shows a total section 5307 apportionment for each UZA, which includes amounts apportioned under each of these formulas. Detailed information about the formulas is provided in Table 4. For technical assistance purposes, the UZAs that receive STIC funds are listed in Table 6. FTA will provide breakouts of the funding allocated to each UZA under these formulas upon request to the FTA regional office.

i. Section 5307—Urbanized Area Formula

For UZAs between 50,000 and 199,999 in population, the section 5307 formula is based on population and population density. For UZAs with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, bus operating costs, fixed guideway vehicle revenue miles, and fixed guideway route miles, as well as population and population density. The Urbanized Area Formula is defined in 49 U.S.C. 5336.

To calculate a UZA's FY 2014 apportionment, FTA used population and population density statistics from the 2010 Census and validated mileage and transit service data from transit providers' 2012 National Transit Database (NTD) Report Year (when applicable). Consistent with section 5336(b), FTA has included 22.27 percent of the fixed guideway directional route miles and vehicle revenue miles from eligible UZA transit systems, but which were attributable to rural areas outside of the UZAs from which the system receives funds. Data from public transportation subrecipients in the Rural Module of the NTD that were identified by FTA staff as having been located in rural areas following the 2000 Census, but are now located in UZAs over 200,000 (large UZAs) in population following the 2010 Census, were also included in this apportionment, and were not included in the apportionment for the Rural Areas Formula Program. These systems will be identified in the supplementary data tables accompanying the apportionment data tables. This was not done for subrecipients now located in UZAs under 200,000 in population (small UZAs) following the 2010 Census. Data for these systems were included in the apportionment for the Rural Areas Formula Program.

FTA has calculated dollar unit values for the formula factors used in the Urbanized Area Formula Program apportionment calculations. These values represent the amount of money each unit of a factor is worth in this year's apportionment. The unit values change each year, based on all of the data used to calculate the apportionments, as well as the amount appropriated by Congress. The dollar unit values for FY 2014 are displayed in Table 5. To replicate the basic formula component of a UZA's apportionment, multiply the dollar unit value by the appropriate formula factor (i.e., the population, population x population density), and when applicable, data from the NTD (i.e., route miles, vehicle revenue miles, passenger miles, and operating cost).

ii. Small Transit Intensive Cities Formula

Under the STIC formula, FTA apportions funds to UZAs under 200,000 in population that have public transportation service that operates at a level equal to or above the industry average for all UZAs with a population of at least 200,000, but not more than 999,999. STIC funds are apportioned on the basis of one or more of six performance categories: passenger miles traveled per vehicle revenue mile, passenger miles traveled per vehicle revenue hour, vehicle revenue miles per capita, vehicle revenue hours per capita, passenger miles traveled per capita, and passengers per capita.

The data used to determine a UZA's eligibility under the STIC formula and to calculate the STIC apportionments was obtained from the NTD reports for the 2012 reporting year. Because performance data change with each year's NTD reports, the UZAs eligible for STIC funds and the amount each receives may vary each year. UZAs that received funding through the STIC formula for FY 2014 are listed in Table 6.

iii. Section 5340—Growing States and High Density States Formula

FTA also apportions funds to qualifying UZAs and States according to the section 5340 Growing States and High Density States formula. Half of the funds appropriated for section 5340 are apportioned to Growing States and half to High Density States. More information on this program and its formula is found in Section IV.R. of this notice.

iv. Low-Income Population

Beginning in FY 2013 and continued in FY 2014, the formula for this program includes a formula factor for low-income population. Of the amount authorized and appropriated for the Urbanized Area Formula Program in each year, 3.07 percent is apportioned on the basis of low income population.

3. Requirements

Program guidance for the Urbanized Area Formula Program is found in FTA Circular *9030.1E, Urbanized Area Formula Program: Program Guidance and Application Instructions,* dated January 16, 2014, and is supplemented by additional information and changes provided in this notice and that may be posted to the section 5307 Web page. Grantees should also review the **Federal**

**Register** notice that accompanied the revised circular for specific areas that may have changed in response to comments.

4. Period of Availability

Section 5307 funds are available for a period of six years (year of apportionment plus five additional years). Accordingly, 5307 funds apportioned in FY 2014 must be obligated in grants by September 30, 2019. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2019 will revert to FTA for reapportionment under the Urbanized Area Formula Program. Grantees are encouraged to obligate funds when projects are ready and not wait until the last year the funds are available.

5. Other Program Information

i. Allocating Funds to Small Urbanized Areas and Designated Recipients

Prior to issuing its FY 2012 Apportionments, Allocations and Program Information Notice, FTA considered whether the Governor of a State could allocate formula fund apportionments to small UZAs located within or designated as Transportation Management Areas (TMAs) that are different from the allocations FTA publishes. FTA determined that the Governor had such discretion and the FY 2012 Apportionments Notice included language indicating that determination. (See *http://www.gpo.gov/fdsys/pkg/FR-2012-01-11/pdf/2012-249.pdf*).

Before the enactment of MAP–21, the Urbanized Area Formula Grant program at 49 U.S.C. 5307(a)(2) defined a ''designated recipient'' as an entity designated, in accordance with the planning process under sections 5303, 5304, and 5306, by the chief executive officer of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under section 5336 that are attributable to transportation management areas identified under section 5303; or a State or regional authority if the authority is responsible under the laws of a State for a capital project and for financing and directly providing public transportation. The reference to TMAs in section 5307(a)(2) was directed at areas with 200,000 or more in population (large UZAs) identified by the Census Bureau. FTA did not interpret the reference to include areas under 200,000 in population, which the Secretary designated as TMAs at the request of the Governor and the Metropolitan Planning Organization (MPO). Such designations are for planning purposes only.

MAP–21 moved the definition of ''designated recipient'' to 49 U.S.C. 5302, which is the section that defines terms applicable to all of chapter 53 unless specifically provided otherwise in a particular section of that chapter. The term ''designated recipient'' as defined in section 5302(4) applies to section 5307, 5337, 5539, except that for purposes of section 5339, only designated recipients that operate fixed route bus service or that allocate funding to fixed route bus operators are eligible recipients. In addition, MAP–21 struck the term ''transportation management areas'' from the definition of ''designated recipient.'' Currently, section 5302(4) defines a ''designated recipient'' as an entity designated, in accordance with the planning process under section 5303 and 5304, by the Governor of a State, responsible local officials, and publicly owned operators of public transportation, to receive and apportion amounts under section 5336 to urbanized areas of 200,000 or more in population; or a State or regional authority, if the authority is responsible under the laws of a State for a capital project and for financing and directly providing public transportation. While legislative history fails to explain the change, it clearly supports FTA's earlier determination. Thus, consistent with the definition of ''designated recipient,'' FTA apportions funds according to the formula under section 5336 to designated recipients in UZAs of 200,000 or more in populations (large UZAs) and to the Governor of the State for UZAs of less than 200,000 in population (small UZAs). Pursuant to section 5336(e), the Governor of the State may allocate apportionments among the small UZAs. FTA interprets the legislation to allow a Governor to do so regardless of whether a small UZA has been designated as a TMA. FTA can make grants under this program to direct recipients after sub-allocation of funds.

ii. State Safety Oversight funding

As mentioned above, under MAP–21 there is a 0.5 percent take-down from the section 5307 Urbanized Area program that has been made available to States for State Safety Oversight (SSO) program activities as authorized under 49 U.S.C. 5329. More information about this program funding will be provided in a separate **Federal Register** notice.

iii. National Transit Database Reporting

Section 5335 requires that each recipient or beneficiary under the section 5307 program submit an annual report to the NTD containing information on financial, operating, and asset condition information. Annual NTD reports should be full reports of all transit activities, regardless of funding source. For the 2013 Report Year, which lasts from October 2013 through July 2014, the reporting requirements apply to any recipient of a section 5307 grant obligation in 2012, any recipient of a section 5307 grant outlay in 2013, or any entity that continued to benefit in 2013 from capital assets purchased using section 5307 grants. Also, grantees that received section 5307 grants in prior years, and which anticipate receiving section 5307 grants in future years, should also continue to report to the NTD. Recipients or beneficiaries of section 5307 grants that do not operate transit service, either directly or through a contract for purchased transportation services, are still required to report to the NTD on capital and planning expenditures, but have significantly reduced reporting requirements. Recipients or beneficiaries of section 5307 grants that operate 30 or fewer vehicles in maximum service across all transit modes are also eligible for reduced, ''Small Systems'' reporting requirements. Recipients or beneficiaries making full annual reports to the NTD are also subject to monthly reporting requirements on service operations and safety incidents. MAP–21 also established new requirements for reporting asset inventories and condition assessments to FTA at section 5326(b)(3), 5335(a), and 5335(c). FTA will propose guidance for implementing these requirements in a future notice in the **Federal Register**. The NTD Reporting Manuals contains detailed reporting instructions and are posted on the NTD Web site, *www.ntdprogram.gov.*

iv. Definition of a Clean Fuel Vehicle

In the **Federal Register** notice dated January 16, 2014 that announced the publication of *FTA Circular 9030.1E,* FTA incorrectly described the reason that the term ''biodiesel'' was removed from the definition of ''Clean Fuel Vehicle''. This term was removed because biodiesel is an alternative fuel capable of running in a standard clean diesel vehicle, not because biodiesel is not a type of clean fuel.

*D. Fixed Guideway Capital Investment Grant (CIG) Program (49 U.S.C. 5309)—New and Small Starts and Core Capacity*

The Fixed Guideway Capital Investment Grant (CIG) Program provides funds for construction of new fixed guideway systems or extensions to

existing fixed guideway systems and, as amended by MAP 21, projects that will expand the core capacity of an existing fixed guideway corridor. Eligible projects are new fixed-guideway systems, such as rapid rail (heavy rail), commuter rail, light rail, hybrid rail, trolleybus (using overhead catenary), cable car, passenger ferries, and bus rapid transit, or an extension of any of these. The Small Starts program also includes corridor-based bus rapid transit projects that do not operate on a separate fixed guideway but include features that emulate the services provided by rail fixed guideway including defined stations, traffic signal priority for public transit vehicles, and short headway bi-directional services for a substantial part of weekdays and weekend days. The addition of Core Capacity eligibility under the program provides funds for substantial, corridor-based investments in existing fixed guideway systems that are at capacity today or will be in five years. Core Capacity Improvement projects must increase the capacity of the existing fixed guideway system in the corridor by at least 10 percent. Projects become candidates for funding under this program by successfully completing steps in the process defined in section 5309 and obtaining a satisfactory rating under the statutorily-defined criteria. For New Starts and Core Capacity Improvement projects, the steps in the process include project development, engineering, and construction. For Small Starts projects the steps in the process include project development and construction. New Starts and Core Capacity Improvement projects receive construction funds from the program through a full funding grant agreement (FFGA) that defines the scope of the project and specifies the total multi-year Federal commitment to the project. Small Starts projects receive construction funds through a single year grant or a Small Starts Grant Agreement (SSGA) that defines the scope of the project and specifies the Federal commitment to the project. For more information about the New or Small Starts or Core Capacity project development process or evaluation and rating process contact Elizabeth Day, Office of Planning and Environment, at (202) 366–4033 or *Elizabeth.day@dot.gov*, or for information about published allocations contact Eric Hu, Office of Transit Programs, at (202) 366–0870 or *eric.hu@dot.gov*.

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $1,942,938,000 for the section 5309 program. The total amount available for allocation is $1,923,508,620, after the one percent deduction for oversight, as shown in the table below.

FIXED GUIDEWAY CAPITAL INVESTMENT PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation ..... | $1,942,938,000 |
| Oversight Deductions ..... | −19,429,380 |
| Total Available ..... | 1,923,508,620 |

As noted in Section II.D.3 of this notice, the FY 2014 Appropriations permitted the use of prior year unobligated balances to be used to fulfill the funding recommendations published in the FY 2014 *Annual Report on Funding Recommendations for CIG Program* on April 12, 2013. These funds combined with those shown above have been allocated for projects shown in Table 7.

2. Basis for Allocation

Funds are allocated on a discretionary basis and subject to program evaluation.

3. Requirements

In January 2013, FTA published a final rule explaining the MAP–21 evaluation and rating process for New and Small Starts projects, which became effective in April 2013. Additionally, FTA published corresponding final policy guidance in August 2013 that provides additional details and explanations on that process. FTA will be completing additional rulemaking and guidance documents related to the remainder of the section 5309 MAP–21 provisions, including: getting into and through the steps in the New Starts and Small Starts process; the evaluation and rating process for the Core Capacity Improvement program; getting into and through the steps in the Core Capacity process; warrants; expedited technical capacity reviews; and Programs of Inter-Related Projects. Project sponsors should reference the FTA Web site at *www.fta.dot.gov* for the most current fixed guideway capital investment grant program information. Grant-related guidance is found in FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* November 1, 2008; and C5200.1A, *Full Funding Grant Agreement Guidance,* December 5, 2002, which will be updated in the future to incorporate the changes made by MAP–21.

4. Period of Availability

MAP–21 expanded the period of availability for section 5309 capital investment funds to five years, (the fiscal year in which the amount is made available plus four additional years). Therefore, funds for a project identified in FY 2014 must be obligated for the project by September 30, 2018. Section 5309 funds that remain unobligated to the projects for which they originally were designated after five fiscal years may be made available for other section 5309 projects. Grantees are encouraged to obligate funds when projects are ready and not wait until the last year the funds are available.

*E. Enhanced Mobility of Seniors and Individuals With Disabilities Program (49 U.S.C. 5310)*

The Enhanced Mobility of Seniors and Individuals with Disabilities Program provides formula funding to States and Designated Recipients of large UZAs (areas with populations of 200,000 or more) to improve mobility for seniors and individuals with disabilities. This program provides funds for: (1) public transportation capital projects planned, designed, and carried out to meet the special needs of seniors and people with disabilities when public transportation is insufficient, unavailable, or inappropriate; (2) public transportation projects that exceed the requirements of the Americans with Disabilities Act (ADA) of 1990; (3) public transportation projects that improve access to fixed route service and decrease reliance by people with disabilities on complementary paratransit; and (4) alternatives to public transportation that assist seniors and individuals with disabilities with transportation.

Starting in FY 2013 and continued in FY 2014, FTA apportions funds specifically for large UZAs, small UZAs (areas under 200,000 in population) and rural areas (areas under 50,000 in population) and requires new designations in large UZAs. Additionally, MAP–21 expanded the eligibility provisions to include operating expenses.

On July 11, 2013, FTA published the proposed circular, FTA C 9070.1G, *Enhanced Mobility of Seniors and Individuals with Disabilities: Program Guidance and Application Instructions,* for notice and comment. FTA is in the process of responding to comments and anticipates publishing the final circular in spring 2014. Until then, grantees can utilize the existing circulars for the former 5310 program and repealed 5317 program combined with the interim guidance published in in the **Federal Register** on October 16, 2012 (See 77 FR 63669) to implement this program.

For more information about the Enhanced Mobility of Seniors and Individuals with Disabilities Program,

contact Gil Williams, Office of Transit Programs, at (202) 366–0797 or *gilbert.williams@dot.gov.*

1. FY 2014 Funding Availability

FY 2014 Appropriations provides a total of $258,300,000 for the section 5310 program. The total amount apportioned to States and UZAs for the section 5310 program is $257,464,692, after the deduction for oversight (authorized by section 5338) and including reapportioned funds, as shown below in the table.

ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $258,300,000 |
| Oversight Deductions | −1,291,500 |
| Reapportioned Funds | 456,192 |
| Total Apportioned | 257,464,692 |

Table 8 displays the amounts apportioned under the Enhanced Mobility of Seniors and Individuals with Disabilities Program.

2. Basis for Allocation

Based on the statutory formula, sixty percent of the funds are apportioned among Designated Recipients for large UZAs; twenty percent of the funds are apportioned among the States for their small UZAs; and twenty percent of the funds are apportioned among the States for their rural areas.

3. Requirements

i. Designated Recipients

For small UZAs and rural areas, the State is the Designated Recipient for section 5310. Current 5310 designations remain in effect until changed by the Governor of a State by officially notifying the appropriate FTA regional administrator of re-designation.

In large UZAs, the recipient charged with administering the section 5310 program must be officially designated through a process consistent with sections 5303 and 5304 prior to grant award. The MPO, State, or another public agency may be a preferred choice based on local circumstances. The designation of a recipient shall be made by the Governor in consultation with responsible local officials and publicly owned operators of public transportation, as required in sections 5303 and 5304. Section 5310 funds cannot be awarded until this designation is on file with the FTA Regional office. A State agency could be the Designated Recipient for section 5310 funds for a large UZA. However, if the State is selected as the Designated Recipient in a large UZA, the apportioned funds for the large UZA must be allocated to eligible subrecipients within the UZA.

Designated Recipients are responsible for administering the program. Responsibilities include: notifying eligible local entities of funding availability; developing project selection processes; determining project eligibility; developing the program of projects; obligating and managing the program funds; program reporting; and ensuring that all subrecipients comply with Federal requirements.

Although FTA will only award grants to the States and Designated Recipients for the program, there are other entities eligible to receive funding as a subrecipient. These include private nonprofit agencies, public bodies approved by the state to coordinate services for elderly persons and persons with disabilities, or public bodies which certify to the Governor that no nonprofit corporations or associations are readily available in an area to provide the service.

ii. Eligible Expenses

MAP–21 expands eligibility of the funds, permitting them to be used for operating, in addition to capital, for transportation services that address the needs of seniors and individuals with disabilities. However, not less than 55 percent of the funds available for this program must be used for capital projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable). FTA refers to these projects as ''traditional 5310'' projects and based on the statutory language, these projects must be carried out by the traditional 5310 subrecipients, which are non-profits, or a State or local governmental authority that is approved by a State to coordinate services for seniors and individuals with disabilities, or certifies that there are no non-profit organizations readily available in the area to provide the service. The 55 percent is a floor. Recipients may use more or all of their section 5310 funds for these types of projects. Remaining funds may be used for operating or capital projects such as: Public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit; or alternatives to public transportation that assist seniors and individuals with disabilities. Eligible subrecipients for these other eligible section 5310 activities include a State or local governmental authority, a private non-profit organization, or an operator of public transportation that receives a section 5310 grant indirectly through a recipient. The acquisition of public transportation services remains an eligible capital expense under this section.

States and Designated Recipients may use up to ten percent of their annual apportionment to administer, plan, and provide technical assistance for a funded project. No local share is required for these program administrative funds.

For more guidance, until FTA revises the section 5310 circular, recipients may use FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007 for 5310 projects and FTA Circular 9045.1, *New Freedom Program Guidance and Application Instructions,* dated May 1, 2007 for New Freedom-like projects.

iii. Local Match

The matching requirements for this program remain the same; capital assistance is provided on an 80 percent Federal share, 20 percent local share. Operating assistance requires a 50 percent match. One difference to note, however, is that MAP–21 eliminated the provision for the sliding scale match under FHWA programs to be used in this program. Funds provided under other Federal programs (other than those of the Department of Transportation, with the exception of the Federal Lands Transportation Program and Tribal Transportation Program established by sections 202 and 203 of title 23 U.S.C.) may be used for local match under section 5310, as can revenue from service contracts.

iv. Planning and Consultation

The States and Designated Recipients must certify that: Projects selected for funding under this program are included in a locally developed, coordinated public transit-human services transportation plan; and the plan was developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, nonprofit transportation and human services providers, and other members of the public. Although the requirement for a coordinated plan is not new, FTA recognizes that some large UZAs may need to modify existing coordinated plans to address the specific needs of the program's target populations and/or be approved by

individuals from the target populations. Modifications to existing programs are acceptable. For areas where a coordinated plan does not exist, FTA requires the following elements, at a minimum, be included in the plans:

a. An assessment of available services that identifies current transportation providers (public, private, and nonprofit);

b. An assessment of transportation needs for individuals with disabilities and seniors;

c. Strategies, activities, and/or projects to address the identified gaps between current services and needs, as well as opportunities to achieve efficiencies in service delivery; and,

d. Priorities for implementation based on resources (from multiple program sources), time, and feasibility for implementing specific strategies and/or activities identified.

Additionally, the plan must be developed and approved with representation from seniors, individuals with disabilities, representatives of public, private, nonprofit transportation and human services providers, and other members of the public.

Similar to how FTA treated this requirement under SAFETEA–LU programs, recipients are not required to submit the coordinated plans to FTA. Recipients must certify, however, that projects were selected from this process and must make reference to the plan in the program of projects, which is described below. Additional guidance for developing coordinated plans can be found in Chapter V of the FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007.

v. State and Project Management Plans

FTA will require States and Designated Recipients responsible for implementing the section 5310 program to document their approach to managing the program in a Program Management Plan (PMP) or State Management Plan (SMP). States may need to update their SMP to reflect MAP–21 changes. For large UZAs, the Designated Recipient will be required to submit a PMP to the regional office prior to grant award. For assistance with developing these plans, recipients can use Chapter VII of the FTA Circular 9070.1F, *Elderly Individuals and Individuals with Disabilities Program Guidance and Application Instructions,* dated May 1, 2007. This chapter includes guidance on how to create and use SMP and can be used as a guide to develop a PMP for the large UZAs. The primary purposes of management plans are to serve as the basis for FTA management reviews of the program, and to provide public information on the administration of the programs.

vi. Program of Projects (POP)

Designated Recipients are required to develop a Program of Projects (POP) with the grant application and submit it to the FTA regional office. The POP should be developed with respect to the coordinated plan, long range plan, and the transportation improvement plan. For additional guidance in developing the required POP, recipients can use Chapter IV of the FTA Circular 9070.1F, *Elderly Individuals and Individuals With Disabilities Program Guidance and Application Instructions,* dated May 1, 2007.

4. Period of Availability

For Enhanced Mobility of Seniors and Individuals with Disabilities Program funds apportioned under this notice, FTA has administratively set the period of availability to three years, which includes the year of apportionment plus two additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2016. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment among the States and UZAs.

5. Other Program Information

States may transfer rural or small UZA funds. The State may transfer apportioned funds between small UZAs and the rural areas if it can certify that the needs are being met in the area to which the funds were originally apportioned. The State can transfer the funds apportioned for rural and small UZAs to any area within the state if a statewide program for this section is established. States must submit transfer requests to the regional office staff, who then coordinate with Headquarters program and budget offices to approve and record the transfer. There are no administrative or statutory provisions to permit transferring section 5310 funds to other FTA programs nor is there a provision for large UZAs to transfer their funds to the State. Funds apportioned to the large UZA must be used in the large UZA, regardless of who may be the Designated Recipient.

Multiple areas apportionments' can be combined in a single grant. However, unless transferred in accordance with the provisions above, the funds must be obligated and expended in the respective area to which the funds were apportioned. For example, rural area apportionments, must be obligated and expended for projects located in rural areas, small UZA funds must be obligated and expended in a corresponding small UZA.

MAP–21 requires FTA to establish performance measures for the program, which FTA initially sought comment on during the publication of the proposed program circular. Based on comments received to date, FTA is planning to launch an electronic dialogue to further engage program stakeholders, particularly the non-profit community, to further discuss and define performance measures for the program. This dialogue is expected to be launched in spring 2014.

*F. Rural Area Formula Program (49 U.S.C. 5311)*

The Rural Areas program provides formula funding to States and Indian tribes for the purpose of supporting public transportation in areas with a population of less than 50,000 (rural areas). Funding may be used for capital, operating, planning, job access and reverse commute projects, and State administration expenses. Eligible sub-recipients include State and local governmental authorities, Indian Tribes, private non-profit organizations, and private operators of public transportation services, including intercity bus companies. Indian Tribes are also eligible direct recipients under section 5311, both for funds apportioned to the States and for projects apportioned or selected to be funded with funds set aside for a separate Tribal Transit Program.

Under MAP–21, the changes to this program included changes to the formula, eligibility, and to the set-asides that support other rural transit programs within this section, such as the Tribal Transit Program. These changes were described in the proposed circular, FTA C 9040.1G, *Formula Grants for Rural Areas: Program Guidance and Application Instructions,* which FTA published for notice and comment on September 26, 2013. FTA is in the process of responding to comments and anticipates publishing the final circular in spring 2014. Until then, grantees can utilize the existing circular for the former 5311 program combined with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669) to implement this program.

For more information about the Formula Grants for Rural Areas program, contact Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or *lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $607,800,000 for the section 5311 program. The total amount apportioned to the States for the section 5311 program is $618,401,446, after the deductions for the Rural Transportation Assistance Program (RTAP), oversight (authorized by section 5338), the Tribal Transit Program, the Appalachian Development Public Transportation Assistance Program, and the addition of section 5340 for Growing States and reapportioned funds, as shown in the table below.

FORMULA GRANTS FOR RURAL AREAS PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $607,800,000 |
| Oversight Deductions | −3,039,000 |
| RTAP Takedown | −12,156,000 |
| Tribal Takedown | −30,000,000 |
| Appalachian Takedown | −20,000,000 |
| Section 5340 Funds | 75,059,680 |
| Reapportioned Funds | 736,766 |
| Total Apportioned | 618,401,446 |

Table 9 displays the amounts apportioned to the States under the Formula Grants for Rural Areas Program.

2. Basis for Allocation

MAP–21 modified the formula for the Rural Areas Program. The majority of rural formula funds (83.15 percent) are apportioned based on land area and population factors. In this first tier, no State may receive more than 5 percent of the amount apportioned on the basis of land area. The remaining rural formula funds (16.85 percent) are apportioned based on land area, vehicle revenue miles, and low-income individual factors. Vehicle revenue miles are a new service factor and the low-income individual factor reflects that job access and reverse commute projects are now eligible under the program. In this second tier, no State may receive more than 5 percent of the amount apportioned on the basis of land area, or more than 5 percent of the amounts apportioned for vehicle revenue miles. In addition to funds made available under section 5311, FTA adds amounts apportioned based on rural population according to the growing States formula factors of 49 U.S.C. 5340 to the amounts apportioned to the States under the section 5311 formula.

Data from the Rural Module of the National Transit Database (NTD) 2012 Report Year was used for this apportionment, including data from directly-reporting Indian tribes.

Section 5311 program includes three takedowns: the Appalachian Development Public Transportation Assistance Program (ADTAP); the Rural Transit Assistance Program (RTAP); and the Tribal Transit Program. These separate programs are described in the sections that follow.

3. Requirements

The section 5311 program provides funding for capital, operating, planning, job access and reverse commute projects, and administration expenses for public transit service in rural areas. The planning activities undertaken with section 5311 funds are in addition to those awarded to the State under section 5305 and must be used specifically for rural areas' needs. States may elect to use 10 percent of their apportionment at 100 percent federal share to administer the section 5311 program and provide technical assistance to subrecipients. Technical assistance includes project planning, program and management development, public transportation coordination activities, and research the State considers appropriate to promote effective delivery of public transportation to rural areas.

The Federal share for capital assistance is 80 percent and for operating assistance is 50 percent, except that States eligible for the sliding scale match under FHWA programs may use that match ratio for section 5311 capital projects and 62.5 percent of the sliding scale capital match ratio for operating projects.

Each State prepares an annual program of projects, which must provide for fair and equitable distribution of funds within the States, including Indian reservations, and must provide for maximum feasible coordination with transportation services assisted by other Federal sources.

Additional program guidance for the Rural Areas Program is found in FTA Circular 9040.1F, *Nonurbanized Area Formula Program Guidance and Grant Application Instructions,* dated April 1, 2007, and is supplemented by additional information and changes provided in the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669) and that may be posted to FTA's section 5311 Web page. FTA is in the process of updating the program circular to incorporate changes resulting from MAP–21. All subrecipients of 5311 funding are expected to comply with the requirements found in the program circular.

4. Period of Availability

FTA is continuing to apply the period of availability of funds established under SAFETEA–LU, which is three years; this includes the year of apportionment plus two additional years. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment under the Formula Grants to Rural Areas Program.

5. Other Program Information

i. National Transit Database (NTD) Reporting

Section 5335 requires that each recipient or beneficiary under the section 5311 program submit an annual report to the NTD containing information on capital investments, operations, and service. Section 5311(b)(4) specifies that the report shall include information on total annual revenue, sources of revenue, total annual operating costs, total annual capital costs, fleet size and type, and related facilities, revenue vehicle miles, and ridership. Annual NTD reports should be a complete report of all transit activities, regardless of funding source. State or Territorial DOT 5311 grant recipients must complete a one-page form of basic data for each 5311 sub-recipient, unless the sub-recipient is already providing a full report to the NTD as a Tribal Transit direct recipient or as an UZA reporter (without receiving a full reporting waiver). For the 2013 Report Year, which lasts from October 2013 through July 2014, State or Territorial DOTs must report on behalf of any sub-recipient receiving section 5311 grants in 2013, or that continued to benefit in 2013 from capital assets purchased using section 5311 grants. State or Territorial DOTs should also continue to report on behalf of any sub-recipients that received section 5311 grants in prior years, and which anticipate receiving section 5311 grants in future years. Tribal Transit direct recipients must report if they obligated a grant in 2013, or if they expended funds from a section 5311 grant in 2013, or if they continued to benefit in 2013 from capital assets using section 5311 grants, unless the Tribe is already filing a full NTD Report as an UZA reporter or unless the Tribe has only received $50,000 or less in planning grants. MAP–21 also established new requirements for reporting asset inventories and condition assessments to FTA at sections 5326(b)(3), 5335(a), and 5335(c). FTA grantees and sub-recipients should look for a future **Federal Register** Notice with proposed

changes to the FTA's NTD Reporting Manual for more information and an opportunity to comment on FTA's implementation of these new statutory requirements.

*G. Rural Transportation Assistance Program (49 U.S.C. 5311(b)(2))*

This program provides funding to assist in the design and implementation of training and technical assistance projects, research, and other support services tailored to meet the needs of transit operators in rural areas. For more information about the Rural Transportation Assistance Program (RTAP) contact *Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $12,156,000 for the section 5311 RTAP Program. Of this amount, 15 percent, or $1,823,400, is available for the National RTAP program. The remainder plus any reapportioned funds are allocated to the States, as shown below.

RURAL TRANSPORTATION ASSISTANCE PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $12,156,000 |
| National RTAP | −1,823,400 |
| Reapportioned Funds | 281,743 |
| Total Apportioned | 10,614,343 |

Table 12 shows the FY 2014 RTAP allocations to the States.

2. Basis for Allocation

FTA allocates funds to the States by an administrative formula. First, FTA allocates $65,000 to each State ($10,000 to territories), and then allocates the balance based on rural population in the 2010 Census.

3. Requirements

States may use the funds to undertake research, training, technical assistance, and other support services to meet the needs of transit operators in rural areas. These funds are to be used in conjunction with a State's administration of the Rural Areas Formula Program, but also may support the rural components of the section 5310 program.

4. Period of Availability

The section 5311 RTAP funds apportioned in this notice are available for obligation in FY 2014 plus two additional years, consistent with that established for the section 5311 program. Any funds that remain unobligated on September 30, 2016 will revert to FTA for apportionment under the program.

5. Other Program Information

The National RTAP project is administered by cooperative agreement and re-competed at five-year intervals. FY 2013 marks the fifth year of the current agreement and FTA published a Request for Proposals on December 26, 2013, which closed on February 10, 2014. Results of this competition will be announced in FY 2014. The National RTAP projects are guided by a project review board that consists of managers of rural transit systems and State DOT RTAP programs. National RTAP resources also support the biennial TRB National Conference on Rural Public and Intercity Bus Transportation and other research and technical assistance projects of a national scope. The next TRB National Conference on Rural and Intercity Bus Transportation is scheduled for October 26–29, 2014 in Monterey, CA. More information can be found here: *http://www.ribtc.org/.*

*H. Appalachian Development Public Transportation Assistance Program (49 U.S.C. 5311(c)(2))*

MAP–21 established this new program as a take-down under the section 5311 program to provide additional funding to support public transportation in the Appalachian region. There are sixteen eligible States that receive an allocation under this provision. The States and their allocation are shown in the Rural Areas Formula program table posted on FTA's Web site under the FY 2014 Apportionments page. For more information about the Appalachian Development Public Transportation Assistance Program (ADTAP), contact Lorna Wilson, Office of Transit Programs, at (202) 366–0893 or *lorna.wilson@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $20,000,000 for the ADTAP, as shown below.

APPALACHIAN DEVELOPMENT PUBLIC TRANSPORTATION ASSISTANCE PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $20,000,000 |
| Total Apportioned | 20,000,000 |

2. Basis for Allocation

FTA apportions the funds using percentages established under section 9.5(b) of the Appalachian Regional Commission Code (subtitle IV of title 40). According to this provision, allocations will be based in general on each State's remaining estimated need to complete eligible sections of the Appalachian Development Highway System as determined from the latest percentages of available cost estimates for completion of the System. Such cost estimates shall be produced at approximate five year intervals. Allocations shall contain upper and lower limits in amounts or to be determined by the Commission and shall be made in accordance with legislation.

3. Requirements

Funds apportioned under this program can be used for purposes consistent with section 5311 to support public transportation in the Appalachian region. Funds can be applied for in the State's annual section 5311 grant.

MAP–21 includes a provision that permits the use of Appalachian program funds that cannot be used for operating to be used for a highway project under certain circumstances. FTA will issue guidance in the final circular on how to accomplish a transfer. States should contact their regional office if they intend to request a transfer.

4. Period of Availability

Section 5311 Appalachian program funds are available for three years, which includes the year of apportionment plus two additional years, consistent with that established for the section 5311 program. Funds that remain unobligated on September 30, 2016 will revert to FTA for reallocation.

*I. Public Transportation on Indian Reservations Program (49 U.S.C. 5311)*

The Public Transportation on Indian Reservations Program (Tribal Transit Program) is a takedown from the section 5311 apportionment, which allocates funds by both statutory formula consistent with 5311(j) and through a competitive discretionary program consistent with section 5311(c)(1)(A). The Tribal Transit formula funds are apportioned to Indian tribes for any purpose eligible under section 5311, which includes capital, operating, planning, job access and reverse commute projects, and administrative assistance for rural public transit services and rural intercity bus service. Eligible direct recipients are federally recognized Indian tribes in rural areas. During FY 2013, FTA consulted with Tribal recipients and stakeholders to implement program requirements, apportion the FY 2013 formula funds, and issue a Notice of Funding Availability for the FY 2013

discretionary funds. For more information about the Tribal Transit Program contact Elan Flippin, Office of Transit Programs at (202) 366–3800 or *elan.flippin@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $30,000,000 for the program, of which $25,000,000 is apportioned by formula and $5,000,000 will be allocated through a competitive discretionary program. FTA expects to publish a Notice of Funding Availability (NOFA) for FY 2014 funding in the spring of 2014.

PUBLIC TRANSPORTATION ON INDIAN RESERVATIONS PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation | $30,000,000 |
| Total Appropriated to Tribes by Formula | −25,000,000 |
| Total Available for Discretionary Allocation | 5,000,000 |
| Plus Reapportioned Funds | [a] 55,813 |
| Total Available for Discretionary Allocation | 5,055,813 |

[a] The reapportioned funds available in FY 2014 are Tribal Transit funds that were previously allocated through the competitive process and were not obligated by the lapse date. FTA intends to make these available for the FY 2014 discretionary competition. In the future, if formula funds lapse, those funds will be reapportioned in the formula apportionment.

2. Basis for Allocation

The majority of the funding is allocated by formula, as described below. The remainder of the appropriation plus prior year discretionary funds that have lapsed, will be made available through a discretionary competition.

i. Tribal Transit Formula Program

The Tribal Transit formula program is distributed to eligible Indian tribes providing public transportation on tribal lands. The formula apportionment shown in Table 10 is based on a statutory formula which includes three tiers. Tiers 1 and 2 are based on data reported to NTD by Indian tribes; Tier 3 is based on 2008–2012 American Community Survey data.

The three tiers for the formula are:

Tier 1—50 percent based on vehicle revenue miles reported to the NTD

Tier 2—25 percent provided in equal shares to Indian tribes reporting at least 200,000 vehicle revenue miles to the NTD

Tier 3—25 percent based on Indian tribes providing public transportation on reservations where more than 1,000 low income individuals reside

Twenty-nine more tribes are receiving a formula apportionment in FY 2014 than in FY 2013, because they became eligible to receive an apportionment after reporting their transit service data to the NTD. The available funds for formula apportionment are the same in FY 2013 and FY 2014, which results in lower apportionments to many of the tribes who had received a FY 2013 apportionment. In addition, a tribe's apportionment may have increased or decreased in FY 2014 due to increases or decreases in the data they reported to the NTD or changes to the tribe's population of persons at or below 100 percent of poverty reported in the updated ACS data used for the FY 2014 apportionments.

ii. Tribal Transit Discretionary Program

The Tribal Transit Discretionary program funds are allocated annually based on a discretionary competition and as published in a Notice of Funding Availability in the **Federal Register.** Funds will be allocated for grants to Indian tribes for purposes eligible under section 5311; however, FTA may limit the discretionary program based on funding priorities. Eligible projects may include: planning, capital, and operating. FTA expects to publish a NOFA in the **Federal Register** soliciting projects for the available FY 2014 discretionary funds in spring 2014. The NOFA will announce the available funding, application procedures, specific eligibility, and criteria for project selection for the discretionary program.

3. Requirements

Formula funds apportioned under this program can be used for purposes consistent with section 5311 to support public transportation on Indian Reservations in rural areas. Funds allocated under the discretionary program must be used consistent with the tribe's proposal and the allocation notice published in the **Federal Register,** which is used to announce the selected projects. Eligible recipients under both the discretionary and formula program include Federally-recognized Indian tribes or Alaska native villages, groups, or communities as identified by the U.S. Department of the Interior Bureau of Indian Affairs (BIA). A tribe must have the legal, financial and technical capabilities to receive and administer Federal funds.

Section 5335 requires NTD reporting for all direct recipients of section 5311 funds. This reporting requirement has and continues to apply to the Tribal Transit Program. Tribes that provide public transportation in rural areas are reminded to report annually so they are included in the Tribal Transit formula apportionments. Tribes needing assistance with reporting to the NTD should contact the NTD Helpline at 1–888–252–0936 or *NTDHelp@dot.gov.*

4. Period of Availability

Tribal Transit program funds are available for three years, which includes the year of apportionment or allocation plus two additional years, consistent with that established for the section 5311 program. Any FY 2014 formula funds that remain unobligated at the close of business on September 30, 2016 will revert to FTA for reapportionment under the Tribal Transit Program.

5. Other Program Information

The funds set aside for the Tribal Transit Program are not meant to replace or reduce funds that Indian tribes receive from States through the section 5311 program but are to be used to enhance public transportation on Indian reservations and transit serving tribal communities. Funds allocated to Indian tribes by the States may be included in the State's section 5311 application or awarded by FTA in a grant directly to the Indian tribe. FTA encourages Indian tribes intending to apply to FTA as direct recipients to contact the appropriate FTA regional office at the earliest opportunity.

Tribal Transit Program grantees, the same as with all other FTA grantees, are obliged to comply with applicable Federal requirements as a condition of their financial assistance. To assist tribes with understanding these requirements and the recent program changes, FTA conducted three Tribal Transit Technical Assistance Workshops in FY 2013 and expects to continue similar offerings in FY 2014. In addition, FTA will begin assessments to review compliance and provide specific technical assistance for tribes beginning in FY 2015; these reviews will include an assessment of compliance areas pursuant to the Master Agreement, a site visit and technical assistance from FTA and its contractors. FTA will post information about upcoming workshops to its Web site and will disseminate information about the reviews through its Regional offices. FTA has regional tribal transit liaisons in each of the FTA Regional offices that are available to assist tribes with applying for and managing FTA grants. A list of regional tribal transit liaisons can be found on FTA's Web site at *http://www.fta.dot.gov/13094_15845.html.* Tribes are encouraged to work directly with their regional tribal transit liaison.

Technical assistance for Indian tribes may be available from the State DOT using the State's allocation of RTAP or funds available for State administration under section 5311, from the Tribal Transportation Assistance Program (TTAP) Centers supported by FHWA, and from the Community Transportation Association of America under a program funded by the United States Department of Agriculture (USDA). National RTAP will also be developing new resources for Tribal Transit. For more information about National RTAP, contact Lorna Wilson, Program Manager at 202–366–0893 or visit the National RTAP Web site *http://www.nationalrtap.org.*

For more information about the Tribal Transit Program, contact Elan Flippin, Program Manager at 202–366–3800 or *elan.flippin@dot.gov.*

*J. Research, Development, Demonstration, and Deployment Projects (49 U.S.C. 5312)*

MAP–21 amended the section 5312: Research; Innovation and Development; and, Demonstration, Deployment and Evaluation to include a Low or No Emission Vehicle Deployment program to fund low or no emission vehicles, facilities, or related equipment in non-attainment or maintenance areas. Additionally, MAP–21 established a structured process for applications, evaluations, and reporting for the research programs. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at (202) 366–3052 or *Vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $40,000,000 for section 5312. Of this amount, $30,000,000 is allocated for the Low or No Emissions Vehicle Deployment Program.

2. Basis for Allocation

Topical areas are based on the Department's Strategic Goals and projects are generally selected through Notices of Funding Availability (NOFAs).

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance and Training Programs: Application Instructions and Program Management Guidelines.* FTA is in the process of updating this circular to incorporate changes resulting from MAP–21. All research recipients are required to work with FTA to develop approved Statements of Work. Under MAP–21, all research projects now require at least a 20 percent non-Federal share. In some cases, FTA may require a higher non-Federal share if FTA determines a recipient would obtain a clear and direct financial benefit from the project, or if non-Federal share is an evaluation factor under a competitive selection process. Projects under the Low or No Emission Vehicle Deployment Program are also subject to section 5307 requirements.

4. Period of Availability

Except for the Low or No Emission Vehicle Deployment Program, FTA establishes the period in which the funds must be obligated to the project. If the funds are not obligated within that period of time, they revert to FTA for reallocation under the program. Low or No Emission Vehicle Deployment funds are available for two years in addition to the year the funds are made available to a recipient, for a total of three years.

5. Other Program Information

Requests for research proposals will be published in Grants.gov. The FY 2013 Low and No Emissions discretionary competition is currently underway; the NOFA soliciting project proposals was published on January 9, 2014 and proposals are due March 10, 2014. FTA may use this NOFA to select projects for FY 2014 funding. Prospective applicants can find more information on FTA's NOFA page: *http://www.fta.dot.gov/grants/13077.html.*

*K. Transit Cooperative Research Program (49 U.S.C. 5313)*

The Transit Cooperative Research Program (TCRP) funds a variety of applied research efforts for practitioners in the transit industry. TCRP is the cooperative effort of three organizations: the FTA; the National Academies, acting through the Transportation Research Board (TRB); and the Transit Development Corporation, Inc. (TDC), a nonprofit educational and research organization established by the American Public Transportation Association (APTA).

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $3,000,000 for this section.

2. Basis for Allocation

TCRP issues annual calls for problem statements. For more information and past reports see *www.tcrponline.org.*

3. Requirements

Funds are allocated directly to the Transportation Research Board at the National Academies of Sciences. For application requirements for this program, please see *www.tcrponline.org.*

4. Period of Availability

The Transportation Research Board establishes the period in which funds must be obligated to a project.

*L. Technical Assistance and Standards Development (49 U.S.C. 5314)*

This section allows FTA to provide technical assistance to recipients to more effectively and efficiently provide transit service and to improve administration of federal transit funds. It also authorizes the development of voluntary and consensus-based standards and best practices. Additionally, through a competitive process, FTA may enter into agreements with national nonprofit organizations to assist providers of public transportation to: comply with the Americans with Disabilities Act (ADA); comply with human services transportation coordination requirements and enhance Federal coordination; to meet the transportation needs of elderly individuals; to increase transit ridership in coordination with MPOs and other entities through development around public transportation stations; to address transportation equity needs; and to provide any other technical assistance activities deemed necessary by FTA. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at 202–366–3052 or *vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $3,000,000 for this section.

2. Basis for Allocation

FTA will allocate funds based on identified technical assistance and standards needs for the transit industry and generally selected through a competitive process.

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance, and Training Programs: Application Instructions and Program Management Guidelines,* dated May 1, 2011. FTA is in the process of updating this circular to incorporate changes resulting from language in MAP–21. All recipients of Technical Assistance and Standards funds are required to work with FTA to develop approved Statements of Work. Projects funded using grants require at least a 20 percent non-Federal share.

4. Period of Availability

FTA establishes the period in which funds must be obligated to a project. If the funds are not obligated within that period of time, they revert back to FTA for reallocation under the program.

5. Other Program Information

Requests for proposals will be published in Grants.gov.

*M. Human Resources and Training Programs (49 U.S.C. 5322)*

FTA may make grants or enter into contracts for human resource needs including: Employment training programs; outreach programs to increase minority and female employment; research on public transportation personnel and training need; and, training and assistance for minority business opportunities. Additionally, the Innovative Public Transportation Workforce Development program is a competitive grant program to assist in the development of innovative workforce activities.

A national transit institute is authorized under section 5322(d). The institute is authorized to develop training and education programs related to topics in public transportation. For more information contact Vincent Valdes, Office of Research, Demonstration and Innovation, at (202) 366–3052 or *vincent.valdes@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides $2,000,000 for this section, excepting 5322(d), of which $5,000,000 is available for a national transit institute.

2. Basis for Allocation

FTA will allocate funds based on identified workforce development and training needs, as well as by an innovative workforce development competition or through the contracting process.

3. Requirements

Application Instructions and Program Management Guidelines are set forth in FTA Circular 6100.1D, *Research, Technical Assistance, and Training Programs: Application Instructions and Program Management Guidelines,* dated May 1, 2011. FTA is in the process of updating this circular to incorporate changes resulting from language in MAP–21. All recipients of Human Resources and Training funds are required to work with FTA to develop approved Statements of Work. FTA may award funds through contracts or grants. Grants funded under the Human Resources and Training and the Innovative Public Transportation Workforce Development Program require a 50 percent non-Federal share.

4. Period of Availability

FTA establishes the period in which funds must be obligated to a project. If the funds are not obligated within that period of time, they revert back to FTA for reallocation under the program.

5. Other Program Information

Requests for proposals will be published in Grants.gov.

*N. Public Transportation Emergency Relief Program (49 U.S.C. 5324)*

MAP–21 established a public transportation Emergency Relief Program to fund public transportation expenses incurred as a result of an emergency or major disaster. No funding was provided in the FY14 Consolidated Appropriations Act for this program. Eligible expenses include emergency operating expenses, such as evacuations, rescue operations, and expenses incurred to protect assets in advance of a disaster, as well as capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage or has suffered serious damage as a result of an emergency.

The Disaster Relief Appropriations Act of 2013 made $10.9 billion available for the Emergency Relief program in response to Hurricane Sandy, which struck several metropolitan areas between Washington, DC and coastal New Hampshire in late October 2012. FTA has announced and allocated funding for affected transit agencies within the declared disaster area through a series of **Federal Register** notices during 2013. While Congress did not provide additional non-Sandy funding for this program in FY 2014, in the event of a declared emergency or major disaster recipients may use funds apportioned under sections 5307 and 5311 for emergency purposes.

In order for an agency to be eligible for Emergency Relief funding, the agency must have been affected by an emergency as defined under section 5324. Section 5324(a)(2) defines an emergency as ''a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm) or a catastrophic failure from any external cause as a result of which (a) the Governor of a State has declared an emergency and the Secretary has concurred or (b) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.'' Expenses incurred due to incidents that do not rise to the level of a Governor's declaration with concurrence by the Secretary of Transportation will not be eligible to be funded under section 5324. Further, in the event of a Presidential declaration of emergency, FTA may reimburse only those expenses that are not reimbursed under the Stafford Act. If funding is available under the Emergency Relief program for a public transportation system affected by an emergency, agencies are directed to seek emergency relief from FTA rather than FEMA.

If a recipient has been affected by an emergency or major disaster, the recipient should contact the appropriate FTA regional office as soon as practicable to determine whether Emergency Relief funds are available, and to notify it that it plans to seek reimbursement for emergency operations and/or repairs that have already taken place or are in process. If Emergency Relief funds are unavailable the recipient may seek reimbursement from FEMA. Properly documented costs for which the grantee has not received reimbursement from FEMA may later be reimbursed by grants made either from section 5324 funding (if appropriated) or section 5307 and 5311 program funding, once the eligible recipient formally applies to FTA for reimbursement and FTA determines that the expenses are eligible for emergency relief.

FTA published an interim final rule for the Emergency Relief program on March 29, 2013 (49 CFR part 602, 78 FR 19136) and will publish a final program regulation later in 2014. Additional information about the Emergency Relief program and FTA's response to Hurricane Sandy is available on the FTA Web site at *www.fta.dot.gov/emergencyrelief.*

For more information on the Public Transportation Emergency Relief Program or FTA's response to Hurricane Sandy, contact Adam Schildge, Office of Program Management, at 202–366–0778 or *adam.schildge@dot.gov.* For questions regarding the Interim Final Rule or the final program regulation, contact Bonnie Graves, Office of Chief Counsel, at 202–366–4011 or *bonnie.graves@dot.gov.*

*O. Public Transportation Safety Program (49 U.S.C. 5329)*

MAP–21 establishes a Public Transportation Safety Program (section 5329) authorizing FTA to establish and enforce a new comprehensive framework to oversee the safety of public transportation throughout the

United States. It directs FTA to issue a National Public Transportation Safety Plan, which must include safety performance criteria for all modes of public transportation and minimum safety performance standards for vehicles not regulated by other Federal agencies.

FTA is implementing its new safety authority in consultation with the transit community and the U.S. Department of Transportation's (DOT) Transit Advisory Committee for Safety (TRACS), the latter of which has been working since September of 2010 to help guide this effort. Following the promulgation of a rule, recipients of FTA funding will be required to have a public transportation agency safety plan in place in order to obligate any grant funds available under Chapter 53. FTA published an Advanced Notice of Proposed Rulemaking (ANPRM) on the National Public Transportation Safety Program and the National Transit Asset Management Program on October 3, 2013, and asked several questions on how to implement the safety requirements of MAP–21 (78 FR 61251). FTA plans to issue several separate rulemakings to implement these requirements of MAP–21.

FTA is also working with States with rail fixed guideway public transportation systems (rail transit systems) to develop and carry out State Safety Oversight (SSO) Programs consistent with the requirements of MAP–21. Section 5329(e)(6) of 49 U.S.C. provides funding to support such activities. As mentioned in Section IV.C.5.ii in this notice, under MAP–21, there is a 0.5 percent take-down from the section 5307 Urbanized Area Formula grant program that provides the funding to be apportioned to States for SSO program activities. In a separate **Federal Register** notice, FYs 2013 and 2014 funds will be apportioned by a formula established by FTA per 49 U.S.C. 5329(e)(6)(B)(i) to States with rail transit systems that are either operating or in the engineering or construction phase of development, and which are not subject to regulation by the Federal Railroad Administration (FRA) to develop or carry out their SSOPs that meet MAP–21 requirements.

For more information about the Public Transportation Safety Program, contact Angela Dluger, Office of Safety and Oversight, at (202) 366–5303 or *Angela.Dluger@dot.gov.*

*P. State of Good Repair Program (49 U.S.C. 5337)*

The State of Good Repair (SGR) program provides capital assistance for maintenance, rehabilitation, and replacement projects of existing fixed guideway and high intensity motorbus systems to maintain a state of good repair. Additionally, SGR grants are eligible for developing and implementing Transit Asset Management plans. This program provides funding for the following transit modes: Rapid rail (heavy rail), commuter rail, light rail, hybrid rail, monorail, automated guideway, trolleybus (using overhead catenary), aerial tramway, cable car, inclined plane (funicular), passenger ferries, bus rapid transit, and fixed-route bus services operating on high-occupancy-vehicle (HOV) facilities.

This program replaces and modifies elements of the fixed guideway modernization program (section 5309). Projects, including new maintenance facilities or maintenance equipment, that solely expand capacity or service are not eligible projects. The SGR program is intended to fund projects to maintain, replace or rehabilitate existing fixed guideway and high intensity motorbus systems.

FTA is in the process of developing a program circular that will be published for notice and comment. In the meantime, recipients should review the sections below for interim program guidance combined with the previously published interim guidance contained in the FY 2013 Apportionment Notice, dated October 16, 2012, and FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008 until a final circular is published. For more information about the SGR program, contact Eric Hu, Office of Transit Programs, at (202) 366–0870 or *eric.hu@dot.gov.*

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $2,165,900,000 for the SGR program. After a 0.75 percent oversight takedown from the amount apportioned to the fixed guideway tier, the total amount allocated for the SGR program is $2,150,118,711, as shown in the table below.

STATE OF GOOD REPAIR FORMULA GRANT PROGRAM—FY 2014

| | |
|---|---|
| Total Appropriation ..... | [a] $2,165,900,000 |
| Oversight Deductions ... | −15,781,289 |
| Total Apportioned ..... | 2,150,118,711 |

[a] Total Appropriation includes $2,104,171,850 for the High Intensity Fixed Guideway tier and $61,728,150 for the High Intensity Motorbus tier.

Table 11 shows the FY 2014 SGR Program formula apportionments to eligible UZAs.

2. Basis for Allocation

FTA allocates SGR program funds according to a statutory formula. Funds are apportioned to UZAs with fixed guideway and high intensity motorbus systems that have been in operation for at least seven years. This means that only segments of fixed guideway and high intensity motorbus systems that entered into revenue service on or before September 30, 2006 are included in the formula, as identified in the NTD.

The law requires that 97.15 percent of the total amount authorized for the SGR program be apportioned to UZAs with ''high intensity fixed guideway'' systems. The apportionments to UZAs with ''high intensity fixed guideway'' systems are determined by two equal elements: (1) The proportion a recipient would have received of the fiscal year 2011 apportionment for 49 U.S.C. 5337, as it then existed, if calculated using the current version of 49 U.S.C. 5336(b)(1) and the current definition of ''fixed guideway'' at 49 U.S.C. 5337(a); (2) the proportion of vehicle revenue miles of an UZA to the total vehicle revenue miles of all UZAs and the proportion of directional route miles of an UZA to the total directional route miles of all UZAs. High Intensity Motorbus systems will receive the remaining 2.85 percent of the total amount authorized for the SGR program, and the apportionments to UZAs are based on vehicle revenue miles and directional route miles.

Vehicle revenue miles and directional route miles that are attributable to an UZA must be placed in revenue service at least 7 years before the first day of the fiscal year. FTA will apportion section 5337 funds to the section 5307 Designated Recipient for the UZA with fixed guideway transportation systems operating at least 7 years. The Designated Recipients will then allocate funds as appropriate to recipients that are public entities in the UZA and provide split letters to the FTA. FTA can make grants to direct recipients after sub-allocation of funds.

3. Requirements

FTA is in the process of updating the program circular to incorporate changes resulting from MAP–21. Until a final program circular is issued, grantees can utilize program guidance and requirements found in this notice along with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669), combined with the FTA circular formerly used for the Fixed Guideway Modernization

Program: FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008.

In addition to this program guidance, all recipients will need to certify that they will comply with the forthcoming rule issued under section 5326 for the Transit Asset Management plan, and SGR projects will need to be included in recipients' Transit Asset Management plans. This requirement is subject to FTA rulemaking and will become effective only after the rule is issued.

While funds are apportioned based only on fixed guideway and high intensity motorbus segments that have been in operation seven years or longer, a recipient may use the funds apportioned to it for eligible maintenance, replacement, and rehabilitation projects on any part of its existing fixed guideway system.

Eligible capital projects are those necessary to maintain fixed guideway systems in a state of good repair, including projects to replace and rehabilitate:

i. Rolling stock;
ii. Track;
iii. Line equipment and structures;
iv. Signals and communications;
v. Power equipment and substations;
vi. Passenger stations and terminals;
vii. Security equipment and systems;
viii. Maintenance facilities and equipment;
ix. Operational support equipment, including computer hardware and software;
x. Development and implementation of a transit asset management plan; and
xi. Other replacement and rehabilitation projects FTA determines appropriate.

Allowable activities within eligible replacement projects include the replacement of older features with new ones. Allowable activities within eligible rehabilitation projects include the incorporation of current design standards and additional features required by Federal law. Equipment, vehicles, and facilities to be replaced must have reached or exceeded its minimum useful life to be eligible for SGR funds.

In addition to replacement and rehabilitation, new maintenance facilities or maintenance equipment are eligible if needed to maintain the existing fixed guideway system or equipment in a state of good repair. Also, although not explicitly listed above, preventive maintenance activities are eligible.

FTA will permit expansion of capacity within eligible replacement projects to meet current or projected short-term service needs (e.g., replacing a maintenance facility with a larger facility, or replacing a bus with a larger bus). For any expansion elements included in a replacement project, the grantee will need to address how the project meets current or short term service levels. FTA will review the reasonableness of such expansion elements when reviewing the grant.

4. Period of Availability

The SGR funds apportioned in this notice are available for obligation during FY 2014 plus three additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the SGR Program.

*Q. Bus and Bus Facilities Formula Grants (49 U.S.C. 5339)*

MAP–21 established the Bus and Bus Facilities Formula program, replacing some of the elements of the former Bus and Bus Facilities discretionary program under SAFETEA–LU. The program provides funding to replace, rehabilitate, and purchase buses and related equipment well as construct bus-related facilities.

Eligible recipients are designated recipients and States that operate or allocate funding to fixed-route bus operators. Eligible subrecipients include public agencies or private nonprofit organizations engaged in public transportation, including those providing services open to a segment of the general public, as defined by age, disability, or low income.

FTA is in the process of developing a program circular that will be published for notice and comment. In the meantime, recipients should review the below sections for interim program guidance combined with the previously published interim guidance contained in the FY 2013 Apportionment Notice, dated October 16, 2012, and FTA Circular 9300.1B, *Capital Investment Program Guidance and Application Instructions,* dated November 1, 2008 until a final circular is published. For more information about the Bus and Bus Facilities program, contact Sam Snead, Office of Transit Programs, at (202) 366–1089 or *samuel.snead@dot.gov*.

1. FY 2014 Funding Availability

The FY 2014 Appropriations provides a total of $427,800,000 for the Bus and Bus Facilities program. After the take-down for the States and Territories (National Distribution), $362,300,000 is available to be apportioned to the UZAs, as shown below.

BUS AND BUS FACILITIES—FY 2014

| | |
|---|---|
| Total Appropriation | $427,800,000 |
| State and Territory Allocation | |
| Total Apportioned | $362,300,000 |

Table 12 shows the FY 2014 Bus and Bus Facilities formula apportionments to States, Territories, and UZAs.

2. Basis for Allocation

Funds are apportioned according to a statutory formula. However, State and Territories (including the District of Columbia and Puerto Rico) receive a fixed allocation before FTA applies the formula. This fixed allocation, referred to as the National Distribution allocation, provides each State approximately $1.25 million and each territory $500,000. These funds are available for use anywhere in the State or Territory. The remainder of the funding is apportioned for UZAs based on population, vehicle revenue miles and passenger miles and is specifically for use in UZAs.

For large UZAs, the Designated Recipient(s) work with interested parties, including the MPO, to allocate amounts among eligible subrecipients. The Designated Recipient in consultation with interested parties should determine the subarea allocation fairly and rationally through a process based on local needs.

Pursuant to section 5339(c)(2), except for the funds set aside for distribution to each state, funds available to carry out section 5339 are apportioned consistent with the formula set forth in section 5336 other than subsection (b). Pursuant to section 5336(e), the Governor exercises the authority to allocate section 5339 formula apportionments to all small UZAs within the State—including those that lie within the planning areas of MPOs serving TMAs. Federal law clearly states that it is up to the State to determine the distribution method for section 5339 funds among small UZAs, and inclusion of small UZAs within the planning area of an MPO that serves a transportation management area (TMA) does not change the status of those small UZAs. They are still small UZAs and subject to the Governor's allocation. There is no legal prohibition to the Governor allocating the apportioned funds through competition. Regardless of how the State decides to allocate the section 5339 bus funds, the MPO, the State, and the transportation operators are

reminded that, with exceptions not relevant in this case, projects not included in a federally-approved Statewide Transportation Improvement Program (STIP) will not be eligible to receive those program funds. (See 23 CFR 450.330(d)).

3. Requirements

Eligible capital projects include projects to replace, rehabilitate, and purchase buses and related equipment, and projects to construct bus-related facilities. This includes the acquisition of buses for fleet and service expansion, bus maintenance and administrative facilities, transfer facilities, bus malls, transportation centers, intermodal terminals, park-and-ride stations, acquisition of replacement vehicles, bus rebuilds, passenger amenities such as passenger shelters and bus stop signs, accessory and miscellaneous equipment such as mobile radio units, supervisory vehicles, fare boxes, computers, and shop and garage equipment. While bus rehabilitation activities (e.g. rebuilds to extend the useful life) are eligible, preventive maintenance and mid-life overhauls are not eligible under this program. The grant requirements of section 5307, such as the requirement for Department of Labor Certification, apply to recipients of grants made under this section.

Section 5339 limits eligible direct (grant) recipients under this program to the Designated Recipients in large UZAs and States for all areas under 200,000 in population (small UZAs and rural areas). States are expected to be the grant recipient for the National Distribution amounts, unless the funds are transferred to a 5307 recipient. Please see additional guidance for permissible transfers in ''Other Program Information'' section below.

A grant for a capital project under this section shall be for 80 percent of the net capital costs of the project. A recipient of a grant may provide additional local matching amounts. The remainder of net project cost shall be provided in cash from non-Government sources other than revenues from providing public transportation services; from revenues derived from the sale of advertisement or concessions; from undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital; or from amounts received under a service agreement with a State or local social service agency or private social service organization.

FTA is in the process of developing a circular for this formula program, which will be made available for public comment. In the meantime, grantees can utilize program guidance and requirements found in this notice along with the interim guidance published in the **Federal Register** on October 16, 2012 (See 77 FR 63669), combined with the FTA circular for the former discretionary Bus program, which can be found in FTA Circular 9300.1B, *Bus and Bus Facilities Instructions.*

4. Period of Availability

The Bus and Bus Facilities Formula Program funds apportioned in this notice are available for obligation during FY 2014 plus three additional years. Accordingly, funds apportioned in FY 2014 must be obligated in grants by September 30, 2017. Any FY 2014 apportioned funds that remain unobligated at the close of business on September 30, 2017 will revert to FTA for reapportionment under the Bus and Bus Facilities Formula Program.

5. Other Program Information

The only allowable transfer provision for these program funds to another FTA program applies to the National Distribution allocation. The Governor of a State may transfer any part of the State's National Distribution amounts to supplement funding under the rural areas (section 5311) or urbanized areas (5307) formula programs. If transferred to a 5307 direct recipient (in a large or small UZA), FTA will permit the recipient to apply directly for the funds in a 5307 grant. However, the funds can only be used for purposes eligible under this section.

As for the funding apportioned by formula, for small UZAs, the Governor has flexibility to allocate the funds among the small UZAs to meet the capital bus needs in those areas.

*R. Growing States and High Density States Formula Factors (49 U.S.C. 5340)*

MAP–21 continues the use of formula factors (established under SAFETEA–LU) to distribute additional funds to the section 5307 and section 5311 programs for Growing States and High Density States. FTA continues to publish single UZA and rural apportionments that show the total amount for 5307 and 5311 programs that includes apportionments these programs formulas together with section 5340.

1. FY 2014 Funding Availability

The FY 2014 Appropriation provides $525,900,000 to be apportioned using the formula factors prescribed for Growing States and High Density States set forth in section 5340.

2. Basis for Allocation

Under the Growing States portion of the section 5340 formula, 50 percent of funds are allocated to States on the basis of their projected population growth. FTA projects each State's 2025 population by comparing each State's apportionment year population (as determined by the Census Bureau) to the State's 2010 Census population and extrapolating to 2025 based on each State's rate of population growth between 2010 and the apportionment year. Each State receives a share of Growing States funds on the basis of its projected 2025 population relative to the nationwide projected 2025 population.

Once each State's share is calculated, funds attributable to that State are divided into an UZA allocation and a non-UZA allocation on the basis of the percentage of each State's 2010 Census population that resides in UZA and non-UZA areas. Urbanized areas receive portions of their State's urbanized area allocation on the basis of the 2010 Census population in that UZA relative to the total 2010 Census population in all UZAs in the State. These amounts are added to the UZA's section 5307 apportionment.

The States' rural area allocation is added to the allocation that each State receives under the section 5311 Formula Grants for Rural Areas program.

The remaining 50 percent of the section 5340 funds are allocated under the High Density States portion of the section 5340 formula. These funds are allocated to UZAs in States with a population density equal to or greater than 370 persons per square mile. Based on this threshold and 2010 Census data, the States that qualify are Maryland, Delaware, Massachusetts, Connecticut, Rhode Island, New York and New Jersey (these are the same States that qualified under SAFETEA–LU). The amount of funds provided to each of these seven States is allocated on the basis of the population density of the individual State relative to the population density of all seven States. Once funds are allocated to each State, funds are then allocated to UZAs within the States on the basis of an individual UZA's population relative to the population of all UZAs in that State.

FTA cannot provide unit values for the Growing States or High Density formulas because the apportionments to individual States and UZAs are based on their relative population data, rather than on a national per capita basis.

*S. Washington Metropolitan Area Transit Authority Grants*

The FY 2014 Appropriations provides $150,000,000 for grants to the Washington Metropolitan Area Transit Authority (WMATA). Such funding is authorized under section 601 of the Passenger Rail Investment and Improvement Act of 2008. See Public Law 110–432, Division B, Title VI.

Grants may be provided for capital and preventive maintenance expenditures for WMATA after it has been determined that WMATA has placed the highest priority on investments that will improve the safety of the system, including but not limited to fixing the track signal system, replacing 1000 series cars, installing guarded turnouts, buying equipment for wayside worker protection, and installing rollback protection on cars that are not equipped with the safety feature. FTA will communicate further program requirements directly to WMATA.

**V. FTA Policy and Procedures for FY 2014 Grants**

*A. Automatic Pre-Award Authority To Incur Project Costs*

This section includes some changes to automatic pre-award authority published in previous notices, particularly in light of the new authorization and several new formula programs, some of which will require new Designated Recipients before projects costs can be reimbursed.

1. Caution to New Grantees and for New Formula Programs

While FTA provides pre-award authority to incur expenses before grant award for formula programs, it recommends that first-time grant recipients and recipients of grants under new formula programs NOT utilize this automatic pre-award authority without verifying with the appropriate FTA Regional office that all pre-requisite requirements have been met. As a new grantee, it is easy to misunderstand pre-award authority conditions and be unaware of all of the applicable FTA requirements that must be met in order to be reimbursed for project expenditures incurred in advance of grant award. FTA programs have specific statutory requirements that are often different from those for other Federal grant programs with which new grantees may be familiar. If funds are expended for an ineligible project or activity, or for an eligible activity but at an inappropriate time (e.g., prior to NEPA completion), FTA will be unable to reimburse the project sponsor and, in certain cases, the entire project may be rendered ineligible for FTA assistance.

2. Policy

FTA provides pre-award authority to incur expenses before grant award for certain program areas described below. This pre-award authority allows grantees to incur certain project costs before grant approval and retain the eligibility of those costs for subsequent reimbursement after grant approval. The grantee assumes all risk and is responsible for ensuring that all conditions are met to retain eligibility. This pre-award spending authority permits an eligible grantee to incur costs on an eligible transit capital, operating, planning, or administrative project without prejudice to possible future Federal participation in the cost of the project. In this notice, FTA provides pre-award authority until September 30, 2016 for capital assistance under all formula programs, so long as the conditions described below are met. Historically, FTA provides pre-award authority until the end of the authorization period and then extends it in one year increments. However, given the short authorization period and the need for continued pre-award authority, FTA is extending this period for two additional years beyond the authorization. Recipients entering into any contracts that assume federal funding beyond September 30, 2016, should contact their regional office to request a letter of no prejudice (see section below). FTA provides pre-award authority for planning and operating assistance under the formula programs without regard to the period of the authorization. Additional information pertaining to specific uses of pre-award authority are below:

i. *Operating, Planning, or Administrative Assistance.* FTA does not impose additional conditions on pre-award authority for operating, planning, or administrative assistance under the formula grant programs. Grantees may be reimbursed for expenses incurred before grant award so long as funds have been expended in accordance with all Federal requirements, and the grantee is otherwise eligible to receive the funding. In addition to cross-cutting Federal grant requirements, program specific requirements must be met. For example, a planning project must have been included in a Unified Planning Work Program (UPWP); a 5310 project must have been included in a coordinated public transit-human services transportation plan (coordinated plan) and selected by the Designated Recipient before incurring expenses; expenditure on State Administration expenses under State Administered programs must be consistent with the State Management Plan (as defined in the most current version of FTA Circular 9040.1, Chapter 6). Designated Recipients for section 5310 have pre-award authority for the ten percent of the apportionment they may use for program administration.

ii. *Transit Capital Projects.* For transit capital projects, the date that costs may be incurred is: (1) For design and environmental review, the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project; (2) for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project; and (3) for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that require a categorical exclusion pursuant to 23 CFR 771.118(d), an environmental assessment, or an environmental impact statement, the date that FTA completes the environmental review process required by NEPA and its implementing regulations by its issuance of a Section 771.118(d) categorical exclusion determination, a Finding of No Significant Impact (FONSI), or a Record of Decision (ROD). For projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), if a project is subsequently found not to qualify for this CE, it will be ineligible for FTA assistance. FTA recommends that any grant applicant that is concerned that a larger project may not clearly qualify for the CEs at 23 CFR 771.118(c)(8), (c)(9), (c)(10), (c)(12), and (c)(13), contact FTA's Regional Office for assistance in determining the appropriate environmental review process and level of documentation necessary before incurring costs for property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials.

iii. *New Starts, Small Starts and Core Capacity Projects.* The pre-award authority described above does not apply to section 5309 Fixed Guideway Capital Investment Grant Program (CIG) projects. Specific instances of pre-award authority for CIG Program projects are described in paragraph 4 below. If pre-award authority has not been granted for a particular type of work on a CIG

program project, the project sponsor must obtain a written Letter of No Prejudice (LONP) from FTA before starting that work. To obtain an LONP, a grantee must submit a written request accompanied by adequate information and justification to the appropriate FTA regional office, as described in Section 4. below.

iv. *Research, Technical Assistance, and Training.* Unless provided for in an announcement of project selections, pre-award authority does not apply to section 5312 Research, development, demonstration, and deployment projects, section 5314 Technical Assistance and Standards Development, or section 5322 Human Resources and Training. Before an applicant may incur costs for activities under these programs, it must first obtain a written Letter of No Prejudice (LONP) from FTA. To obtain an LONP, a grantee must submit a written request accompanied by adequate information and justification to the appropriate FTA headquarters office. Information about LONP procedures may be obtained from the appropriate headquarters office.

3. Conditions

The conditions under which pre-award authority may be utilized are specified below:

*i.* Pre-award authority is not a legal or implied commitment that the subject project will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or implied commitment that all items undertaken by the applicant will be eligible for inclusion in the project.

*ii.* All FTA statutory, procedural, and contractual requirements must be met.

*iii.* No action will be taken by the grantee that prejudices the legal and administrative findings that the Federal Transit Administrator must make in order to approve a project.

*iv.* Local funds expended by the grantee after the date of the pre-award authority will be eligible for credit toward local match or reimbursement if FTA later makes a grant or grant amendment for the project. Local funds expended by the grantee before the date of the pre-award authority will not be eligible for credit toward local match or reimbursement. Furthermore, the expenditure of local funds or undertaking of project implementation activities such as land acquisition, demolition, or construction before the date of pre-award authority for those activities (i.e., the completion of the NEPA process) would compromise FTA's ability to comply with Federal environmental laws and may render the project ineligible for FTA funding.

*v.* The Federal amount of any future FTA assistance awarded to the grantee for the project will be determined on the basis of the overall scope of activities and the prevailing statutory provisions with respect to the Federal/local match ratio at the time the funds are obligated.

*vi.* For funds to which the pre-award authority applies, the authority expires with the lapsing of the fiscal year funds.

*vii.* When a grant for the project is subsequently awarded, the initial Federal Financial Report, in TEAM-Web, must indicate the use of pre-award authority.

*viii.* Planning, Environmental, and Other Federal requirements.

All Federal grant requirements must be met at the appropriate time for the project to remain eligible for Federal funding. The growth of the Federal transit program has resulted in a growing number of inexperienced grantees who find compliance with Federal planning and environmental laws increasingly challenging.

FTA has modified its approach to pre-award authority to use the completion of the NEPA process, which has as a prerequisite the completion of planning and air quality requirements, as the trigger for pre-award authority for all activities except design and environmental review. Following authorization of formula funds or appropriation and publication of earmarked projects or the announcement of project allocations, pre-award authority for capital project implementation activities, such as property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials, may be exercised only after FTA concurs that all applicable environmental requirements have been satisfied, including those for actions classified as normally requiring preparation of environmental impact statements, environmental assessments, and categorical exclusions found in 23 CFR 771.117.

The requirement that a project be included in a locally-adopted Metropolitan Transportation Plan, the metropolitan transportation improvement program and federally-approved statewide transportation improvement program (23 CFR Part 450) must be satisfied before the grantee may advance the project beyond planning and preliminary design with non-Federal funds under pre-award authority. If the project is located within an EPA-designated non-attainment or maintenance area for air quality, the conformity requirements of the Clean Air Act, 40 CFR Part 93, must also be met before the project may be advanced into implementation-related activities under pre-award authority. Compliance with NEPA and other environmental laws and executive orders (e.g., protection of parklands, wetlands, and historic properties) must be completed before State or local funds are spent on implementation activities, such as site preparation, construction, and acquisition, for a project that is expected to be subsequently funded with FTA funds. The grantee may not advance the project beyond planning and preliminary design/engineering before FTA has determined the project to be a Categorical Exclusion (CE), or has issued a Finding of No Significant Impact (FONSI) or a Record of Decision (ROD), in accordance with FTA environmental regulations, 23 CFR Part 771.

For a planning project to have pre-award authority, the planning project must be included in a MPO-approved Unified Planning Work Program (UPWP) that has been coordinated with the State.

*ix.* Federal procurement procedures, as well as the whole range of applicable Federal requirements (e.g., Buy America, Davis-Bacon Act, Disadvantaged Business Enterprise (DBE)) must be followed for projects in which Federal funding will be sought in the future. Failure to follow any such requirements could make the project ineligible for Federal funding. In short, this increased administrative flexibility requires a grantee to make certain that no Federal requirements are circumvented through the use of pre-award authority.

*x.* Recipients exercising pre-award authority to update, repair, or modernize stations, must be mindful that the DOT ADA regulations at 49 CFR 37.161(b) provide that an accessibility feature must be repaired promptly if it is damaged or out of order. When the accessibility feature is out of order, a Recipient must take reasonable steps to accommodate individuals with disabilities who would otherwise use the feature. The rule does not, and probably could not, state a time limit for making particular repairs, given the variety of circumstances involved. However, repairing accessible features must be made a high priority. Allowing obstructions or out of order accessibility equipment to persist beyond a reasonable period of time would violate this Part, as would mechanical failures due to improper or inadequate maintenance. Failure of the entity to ensure that accessible routes are free of obstruction and properly maintained, or failure to arrange prompt repair of inoperative elevators, lifts, or other

accessibility-related equipment, would also violate this part.

*xi.* All program specific requirements must be met. For example, projects under section 5310 must comply with specific program requirements, including coordinated planning.

Before incurring costs, grantees are strongly encouraged to consult with the appropriate FTA regional office regarding the eligibility of the project for future FTA funds and for questions on environmental requirements, or any other Federal requirements that must be met.

*xii.* Recipients exercising pre-award authority are expected to comply with the DBE regulations. The Department of Transportation's DBE program helps small businesses owned by socially and economically disadvantaged individuals to compete in the marketplace, and is designed to support the people who create jobs—our nation's entrepreneurs. When procuring vehicles, recipients are reminded of the requirements of 49 CFR 26.49(a), which requires ''if you are a transit vehicle manufacturer, you must establish and submit for FTA's approval an annual overall percentage goal'' and ''as a transit vehicle manufacturer, you may make the certification required by this section if you have submitted the goal this section requires and FTA has approved it or not disapproved it.'' Recipients are advised that it is not enough to accept a certification stating that ''FTA has not disapproved'' of a TVMs DBE goal. Rather, Recipients must ensure that the TVM has submitted a goal to FTA and FTA has either approved it or not disapproved it. A recipient may request from FTA verification that a TVM has submitted a DBE goal to FTA for its review. Please email your Regional Civil Rights Officer regarding your request and FTA will respond via email within five business days. Furthermore, to assist with TVM certification compliance, FTA maintains a web posting of all certified TVMs located at *http://www.fta.dot.gov/12326_5626.html*. Finally, FTA takes the position that failure by a Recipient to verify a TVM's eligibility to bid on an FTA-assisted contract prior to award cannot be cured after award of the contract and will likely result in FTA declining to provide Federal funding for the vehicle procurement.

4. Pre-Award Authority for the Fixed Guideway Capital Investment Program (New and Small Starts Projects and Core Capacity Projects)

Projects proposed for section 5309 Capital Investment Grants (CIG) program funds are required to follow a process defined in law. For New Starts and Core Capacity projects, this process includes three phases—project development (PD), engineering, and construction. For Small Starts projects, this process includes two phases—PD and construction. After receiving a letter from the project sponsor requesting entry into the PD phase, FTA must respond in writing within 45 days whether the information was sufficient for entry. If FTA's correspondence indicates the information was sufficient and the New Starts, Small Starts or Core Capacity project may enter PD, FTA extends pre-award authority to the project sponsor to incur costs for PD activities. PD activities include the work necessary to complete the environmental review process and as much engineering and design activities as the project sponsor believes are necessary to support the environmental review process. Upon completion of the environmental review process for a New Starts, Small Starts, or Core Capacity Improvement project with a ROD, FONSI, or CE determination by FTA, FTA extends pre-award authority to project sponsors in PD to incur costs for as much engineering and design as needed to develop a reasonable cost estimate and financial plan for the project, utility relocation, and real property acquisition and associated relocations for any property acquisitions not already accomplished as a separate project for hardship or protective purposes or right-of-way under 49 U.S.C. 5323(q). Upon receipt of a letter notifying a New Starts or Core Capacity project sponsor of the project's approval into the engineering phase, FTA extends pre-award authority for any remaining engineering and design, demolition, vehicle purchases, and procurement of long lead items for which market conditions play a significant role in the acquisition price. The long lead items include, but are not limited to, procurement of rails, ties, and other specialized equipment, and commodities. Please contact the FTA Regional Office for a determination of activities not listed here, but which meet the intent described above. FTA provides this pre-award authority in recognition of the long-lead time and complexity involved with purchasing vehicles as well as their relationship to the ''critical path'' project schedule. FTA cautions grantees that do not currently operate the type of vehicle proposed in the project about exercising this pre-award authority. FTA encourages these sponsors to wait until later in the process when project plans are more fully developed. FTA reminds project sponsors that the procurement of vehicles must comply with all Federal requirements including, but not limited to, competitive procurement practices, the Americans with Disabilities Act, and Buy America. FTA encourages project sponsors to discuss the procurement of vehicles with FTA in regards to Federal requirements before exercising pre-award authority. Because there is not a formal engineering phase for Small Starts projects, FTA does not extend pre-award authority for demolition, vehicle purchases and procurement of long lead items. Instead, this work must await receipt of a construction grant award.

i. Real Property Acquisition

As noticed above, FTA extends pre-award authority for the acquisition of real property and real property rights for fixed guideway capital investment projects (New or Small Starts or Core Capacity) upon completion of the environmental review process for that project. The environmental review process is completed when FTA signs an environmental Record of Decision (ROD) or Finding of No Significant Impact (FONSI), or makes a Categorical Exclusion (CE) determination. With the limitations and caveats described below, real estate acquisition may commence, at the project sponsor's risk. For FTA-assisted projects, any acquisition of real property or real property rights must be conducted in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations, 49 CFR Part 24. This pre-award authority is strictly limited to costs incurred: (i) To acquire real property and real property rights in accordance with the URA regulation, and (ii) to provide relocation assistance in accordance with the URA regulation. This pre-award authority is limited to the acquisition of real property and real property rights that are explicitly identified in the final environmental impact statement (FEIS), environmental assessment (EA), or CE document, as needed for the selected alternative that is the subject of the FTA-signed ROD or FONSI, or CE determination. This pre-award authority regarding property acquisition that is granted at the completion of the environmental review process does not cover site preparation, demolition, or any other activity that is not strictly necessary to comply with the URA, with one exception. That exception is when a building that has been acquired, has been emptied of its occupants, and delaying demolition poses a potential fire safety hazard or other hazard to the community in which it is located, or is susceptible to

reoccupation by vagrants. Demolition of the building is also covered by this pre-award authority upon FTA's written agreement that the adverse condition exists. Pre-award authority for property acquisition is also provided when FTA makes a CE determination for a protective buy or hardship acquisition in accordance with 23 CFR 771.117(d)(12). Pre-award authority for property acquisition is also provided when FTA completes the environmental review process for the acquisition of right-of-way as a separate project in accordance with 49 U.S.C. 5323(q). Guidance on this approach to property acquisition will be forthcoming.

When a tiered environmental review in accordance with 23 CFR 771.111(g) is used, pre-award authority is NOT provided upon completion of the first tier environmental document except when the Tier-1 ROD or FONSI signed by FTA explicitly provides such pre-award authority for a particular identified acquisition. Project sponsors should use pre-award authority for real property acquisition relocation assistance with a clear understanding that it does not constitute a funding commitment by FTA. FTA provides pre-award authority upon completion of the environmental review process for real property acquisition and relocation assistance to maximize the time available to project sponsors to move people out of their homes and places of business, in accordance with the requirements of the URA, but also with maximum sensitivity to the circumstances of the people so affected.

ii. Reimbursement of Costs Incurred under Pre-Award Authority

Although FTA provides pre-award authority for property acquisition, long lead items, and vehicle purchases upon completion of the environmental review process, FTA will not make a grant to reimburse the sponsor for real estate activities, vehicle purchases or purchases of long lead items conducted under pre-award authority until the project receives its construction grant. This is to ensure that Federal funds are not risked on a project whose advancement into construction is still not yet assured.

iii. National Environmental Policy Act (NEPA) Activities

NEPA requires that major projects proposed for FTA funding assistance be subjected to a public and interagency review of the need for the project, its environmental and community impacts, and alternatives to avoid and reduce adverse impacts. Projects of more limited scope also need a level of environmental review, either to support an FTA finding of no significant impact (FONSI) or to demonstrate that the action is categorically excluded (i.e., CE) from the more rigorous level of NEPA review. FTA's regulation titled ''Environmental Impact and Related Procedures,'' at 23 CFR Part 771 states that the costs incurred by a grant applicant for the preparation of environmental documents requested by FTA are eligible for FTA financial assistance (23 CFR 771.105(e)). Accordingly, FTA extends pre-award authority for costs incurred to comply with NEPA regulations and to conduct NEPA-related activities, effective as of the earlier of the following two dates: (1) The date of the Federal approval of the relevant STIP or STIP amendment that includes the project or any phase of the project, or that includes a project grouping under 23 CFR 450.216(j) that includes the project; or (2) the date that FTA approves the project into project development. The grant applicant must notify the FTA regional office upon initiation of the Federal environmental review process in accordance with the ''Dear Colleague'' letter from the FTA Administrator dated February 24, 2011. NEPA-related activities include, but are not limited to, public involvement activities, historic preservation reviews, section 4(f) evaluations, wetlands evaluations, endangered species consultations, and biological assessments. This pre-award authority is strictly limited to costs incurred to conduct the NEPA process and associated engineering, and to prepare environmental, historic preservation and related documents. When a New Starts, Small Starts, or Core Capacity project is granted pre-award authority for the environmental review process, the reimbursement for NEPA activities conducted under pre-award authority may be sought at any time through section 5307 (Urbanized Area Formula Program), section 5309, or the flexible highway programs (STP and CMAQ). As with any pre-award authority, FTA reimbursement for costs incurred is not guaranteed.

iv. Other New and Small Starts and Core Capacity Project Activities Requiring Letter of No Prejudice (LONP)

Except as discussed in paragraphs i through iii above, a major capital investment project sponsor must obtain a written LONP from FTA before incurring costs for any activity. To obtain an LONP, an applicant must submit a written request accompanied by adequate information and justification to the appropriate FTA regional office, as described in B below.

*B. Letter of No Prejudice (LONP) Policy*

1. Policy

LONP authority allows an applicant to incur costs on a project utilizing non-Federal resources, with the understanding that the costs incurred subsequent to the issuance of the LONP may be reimbursable as eligible expenses or eligible for credit toward the local match should FTA approve the project at a later date. LONPs are applicable to projects and project activities not covered by automatic pre-award authority. The majority of LONPs will be for section 5309 capital investment program (New or Small Starts or Core Capacity) projects undertaking activities not covered under automatic pre-award authority. LONPs may be issued for formula and discretionary funds beyond the life of the current authorization or FTA's extension of automatic pre-award authority, which, by way of this notice, has been extended until September 30, 2016; however, the LONP is limited to a five-year period, unless otherwise authorized in the LONP. Recipients preparing to enter into contracts that assume federal funding beyond September 30, 2016, should contact their regional office to pursue a LONP.

2. Conditions and Federal Requirements

The conditions and requirements for pre-award authority specified in Section V.A.2 and V.A.3. above apply to all LONPs. Because project implementation activities may not be initiated before completion of the environmental review process, FTA will not issue an LONP for such activities until the environmental review process has been completed with a ROD, FONSI, or CE determination.

3. Request for LONP

Before incurring costs for project activities not covered by automatic pre-award authority, the project sponsor must first submit a written request for an LONP, accompanied by adequate information and justification, to the appropriate regional office and obtain written approval from FTA. FTA approval of an LONP is determined on a case-by-case basis. Receipt of Federal funding under the capital investment program is not implied or guaranteed by an LONP.

*C. FY 2014 Annual List of Certifications and Assurances*

The full text of the FY 2014 Certifications and Assurances was published in the **Federal Register** on February 1, 2014 and is available on the FTA Web site and in TEAM-Web. The FY 2014 Certifications and Assurances

must be used for all grants and cooperative agreements awarded in FY 2014. All recipients with active projects are required to sign the FY 2014 Certifications and Assurances within 90 days after its publication.

*D. Civil Rights Requirements*

1. Americans With Disabilities Act (ADA)

The ADA Standards issued by the Department of Transportation (DOT) apply to facilities used by state and local governments to provide designated public transportation services, including bus stops and stations, and rail stations. Other types of facilities covered by the ADA are subject to similar ADA Standards issued by the Department of Justice. Both the DOT and DOJ standards are based on the Board's ADA Accessibility Guidelines. DOT's ADA Standards (2006) are consistent with the Access Board's updated ADA (and ABA) guidelines, but includes a few additional requirements concerning:

- Location of Accessible Routes (206.3)
- Detectable Warnings on Curb Ramps (406.8)
- Bus Boarding and Alighting Areas (810.2.2)
- Rail Station Platforms (810.5.3)

When constructing new facilities, sixty percent of all public entrances to the facility must be accessible. If there are only two entrances, both must be accessible. (See DOT ADA Standard 206.4.1.) For rail projects, no flange way gap can be greater than 2.5″ where passenger circulation paths cross tracks at grade (i.e. a street-level pedestrian crossing over streetcar tracks). (See DOT ADA Standard 810.10.) And, accessible routes that coincide with or are located in the same area as general circulation paths and elements such as ramps, elevators, and fare vending and collection must be placed to minimize the distance that wheelchair users and other persons who cannot climb steps must travel in comparison to the general public. (See DOT ADA Standard 206.3.) In addition, curb ramps must have detectable warnings (see DOT ADA Standard 406.8.) and bus boarding and alighting areas must be in compliance with the ADA–ABA Guidelines (Section 810.2), which address surfaces (sturdy), dimensions (96″ long x 60″ wide); connection to sidewalks, streets and pedestrian paths; slope (not steeper than 1:48); signs; and public address systems. (See DOT ADA Standard 810.2.) Rail station platforms must be coordinated with the vehicle floor height. Where vehicles are boarded from sidewalks or street-level, low-level platforms are permitted (see DOT ADA Standard 810.5.3). For commuter rail stations (and stations serving intercity rail systems), where platform to railcar coordination cannot be achieved, wheelchair users must have access to all accessible cars available to passengers without disabilities in each train using the station; FTA (and in some cases, FRA) approval must be granted for any plan to provide such access that does not include carborne lifts. (See DOT ADA Regulation 49 CFR 37.42.) Finally, vehicles purchased by recipients must be accessible as well as remanufactured or overhauled vehicles, (see DOT ADA Regulation 49 CFR 37.75; DOT ADA Regulation 49 CFR 37.83; and DOT ADA Regulation 49 CFR 37.89), and if a remanufactured or overhauled vehicle will not be accessible, submit information to FTA demonstrating that the structural integrity of the vehicle would be significantly compromised if made accessible by including appropriate structural engineering analysis. (See DOT ADA Regulation 49 CFR 37.75(c); DOT ADA Regulation 49 CFR 37.83(c) and DOT ADA Regulation 49 CFR 37.89(c).)

2. Title VI of the Civil Rights Act of 1964

The U.S. DOT's Title VI implementing regulations are found in 49 CFR Part 21. FTA's Title VI Circular (4702.1B) provides guidance on carrying out the regulatory requirements. For recipients in urbanized areas of 200,000 or more in population and with 50 or more fixed-route vehicles in peak service, please be advised that under normal circumstances, the recipient must conduct a service equity analysis for all service changes that meet the recipient's definition of ''major service change'' prior to implementing the service change. Recipients also must conduct a fare equity analysis for all fare increases or decreases prior to implementing a fare change. The authorizations for FTA's programs provided by MAP–21 end with FY 2014. While it is not unusual for authorizations to end at the end of a fiscal year, and this has occurred many times in the past, because of the current status of balances in the Mass Transit Account of the Highway Trust Fund, there is a greater degree of uncertainty about the nature and timeliness of enactment of a reauthorization of FTA's programs. In the event the continuation of Federal funding comes into question on or before September 30, 2014, and a recipient identified above must cut service or increase fares abruptly, FTA expects the recipient to conduct the necessary equity analyses concerning the service cuts and/or fare increases, including public outreach. However, the equity analyses may be conducted after the service cut or fare increase takes effect. The recipient must make every effort to conduct the equity analyses as expeditiously as possible after the service cuts or fare increases and implement any mitigation measures quickly should the equity analysis identify a disparate impact or disproportionate burden. In addition, 49 CFR 21.5(b)(3) provides, ''In determining the site or location of facilities, a recipient or applicant may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the grounds of race, color, or national origin; or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Act or this part.'' Further, 49 CFR Part 21, Appendix C, Section (3)(iv) provides, ''The location of projects requiring land acquisition and the displacement of persons from their residences and businesses may not be determined on the basis of race, color, or national origin.'' FTA's Title VI Circular provides the following limited exceptions to the above requirement:

For purposes of this requirement, ''facilities'' do not include bus shelters, as these are transit amenities and are covered in Chapter IV [of the Title VI circular], nor does it include transit stations, power substations, etc., as those are evaluated during project development and the NEPA process. Facilities included in this provision include, but are not limited to, storage facilities, maintenance facilities, operations centers, etc.

*E. FHWA ''Flex Funding'' and Consolidated Planning Grants*

Certain Federal-aid highway program funds under the title 23 may be transferred or ''flexed'' to FTA for eligible for Title 49, Chapter 53 purposes. These programs include the Surface Transportation Program (23 U.S.C. 133) (STP), the Transportation Alternatives Program (23 U.S.C. 101) (TAP), the Congestion Mitigation and Air Quality Improvement Program (23 U.S.C. 149) (CMAQ), the National Highway Performance Program (23 U.S.C. 119) (NHPP).

1. Transferring Title 23 Funds From FHWA to FTA

Section 104(f) of title 23 U.S.C. allows FHWA, at the request of the State, to transfer funds for transit capital projects and eligible operating activities that have been designated as part of the

metropolitan and statewide planning and programming process. The project must be included in an approved STIP before the funds can be transferred. The State DOT may request, by letter, that the FHWA Division Office transfer highway funds for a transit project. The letter should include a description of the project as contained in the STIP, the amount to be transferred, the apportionment year, State, urbanized area, Federal-aid apportionment category (i.e., STP, CMAQ, TAP, NHPP) or other funding source, and indication of the intended FTA formula program (i.e., section 5307, 5310, or 5311). As noted in the CMAQ paragraph below, requests to transfer CMAQ funding from FHWA to FTA must also clearly identify the amount to be used for operating assistance.

Once a written request for transfer is received (using FHWA transfer request form 1576), if, upon review, the FHWA Division Office concurs in the transfer, it provides written confirmation to the State DOT and FTA that the apportionment amount is available for transfer. The FHWA Division Office provides the transfer request to the FHWA Office of Budget which transfers the funds to FTA.

FHWA funds transferred to FTA will be administered under one of the three FTA formula programs (i.e., Urbanized Area Formula (section 5307), Formula Grants for the Enhanced Mobility of Seniors and Individuals with Disabilities (section 5310), or Formula Grants for Rural Areas (section 5311)). Unobligated balances for High Priority projects under Section 1702 of SAFETEA–LU or Transportation Improvement projects under Section 1934 of SAFETEA–LU and other such funds for which Congress has identified a particular project that are transferred to FTA will be aligned with and administered through FTA's Urbanized Area Formula Grant Program (section 5307). Under 23 U.S.C. 104(f), FHWA funds transferred to FTA retain the same matching share that the funds would have if used for highway purposes and administered by FHWA.

Transferred funds may be used for a capital transit purpose eligible under the FTA formula program to which they are transferred. MAP–21 revised the operating assistance eligibilities under CMAQ as described in Section III.B above.

The FTA grantee's application for the project must specify the program in which the funds will be used, and the application must be prepared in accordance with the requirements and procedures governing that program. Upon review and approval of the grantee's application, FTA obligates funds for the project.

In the event that the transferred funds are not obligated for the intended purpose within the period of availability of the formula program to which they were transferred, in most instances, they become available to the State for any eligible capital transit project under the program to which they were transferred.

2. Matching Share for FHWA Transfers

Pursuant to 23 U.S.C. 104(f)(1)(B), FHWA funds transferred to FTA retain the same matching share that the funds would have if used for highway purposes and administered by FHWA. For the STP, CMAQ, and TAP programs, this Federal share is generally 80 percent, subject to upward adjustment in sliding scale States as noted below.

For a period of time under SAFETEA–LU, CMAQ funds were available at a 100 percent Federal share. Starting on October 1, 2012, the CMAQ Federal share generally will be 80 percent. There are a few instances in which a Federal share on funds transferred from FHWA can be higher than 80 percent. In States with large areas of Indian and certain public domain lands and national forests, parks and monuments, the local share for highway projects is determined by a sliding scale rate, calculated based on the percentage of public lands within that State. This sliding scale, which permits a greater Federal share, but not to exceed 95 percent, is applicable to transfers used to fund transit projects in these public land States. FHWA develops the sliding scale matching ratios for the increased Federal share. Also, there may be instances where the applicable Federal share may be reduced to a lower Federal share than is generally applicable, such as under the NHPP where the Federal share must be reduced to a maximum of 65 percent if the State DOT does not develop and implement an asset management plan.

Certain safety projects or projects that include an air quality or congestion relief component such as commuter carpooling and vanpooling projects using FHWA transfer funds administered by FTA may retain the same 100 percent Federal share; however, these projects are subject to a limitation for each State of an amount equal to 10 percent of the sums apportioned for programs under section 104 of title 23.

For further guidance, please see FHWA Order, issued on August 12, 2013 on ''Fund Transfers to Other Agencies and Among Title 23 Programs'', which is available at *http://www.fhwa.dot.gov/legsregs/directives/orders/45511.pdf*.

3. CMAQ Funds for Operating Assistance

The CMAQ program, at 23 U.S.C. 149, continues to provide a flexible funding source to State and local governments for transportation projects and programs to help achieve the goals of the Clean Air Act. Funding is available for projects that reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards (NAAQS) for ozone, carbon monoxide, or particulate matter—nonattainment areas—and for areas that were out of compliance but have now met the standards—maintenance areas. Transit investments, including transit vehicle acquisitions and construction of new facilities or improvements to facilities that increase transit capacity may be eligible for CMAQ funds. Under limited circumstances, funds may also be used for operating assistance. Refer to the CMAQ Interim Guidance, as well as the discussion in Section III.B above, for additional information.

Going forward, all CMAQ transfer requests initiated by grantees to the MPO and State, and ultimately processed from FHWA to FTA, must clearly identify whether the CMAQ funds will be used for operating assistance or capital projects. Grantees must clearly identify the operating assistance amounts in the grant budget and, also, when requesting expenditures in ECHO-Web.

4. Consolidated Planning Grants

FTA and FHWA planning funds under both the Metropolitan Planning and State Planning and Research Programs can be consolidated into a single consolidated planning grant, awarded by either FTA or FHWA. The CPG eliminates the need to monitor individual fund sources, if several have been used, and ensures that the oldest funds will always be used first. Under the CPG, States can report metropolitan planning program expenditures (to comply with the Single Audit Act) for both FTA and FHWA under the Catalogue of Federal Domestic Assistance number for FTA's Metropolitan Planning Program (20.505). Additionally, for States with an FHWA Metropolitan Planning (PL) fund-matching ratio greater than 80 percent, the State can waive the 20 percent local share requirement, with FTA's concurrence, to allow FTA funds used for metropolitan planning in a CPG to be granted at the higher FHWA rate. For some States, this Federal match rate can exceed 90 percent.

States interested in transferring planning funds between FTA and FHWA should contact the FTA Regional Office or FHWA Division Office for more detailed procedures. Current guidelines are included FHWA's Order dated August 12, 2013, on ''Fund Transfers to Other Agencies and Among Title 23 Programs'', which is available at *http://www.fhwa.dot.gov/legsregs/directives/orders/45511.pdf*.

For further information on CPGs, contact Nancy Grubb, Office of Budget and Policy, FTA, at (202) 366–1635.

*F. Grant Application Procedures*

During FY 2014, FTA grantees may be making grants for both SAFETEA–LU authorized program funds (carryover balances) and MAP–21 authorized program funds. There may be different requirements depending on the program and the year of funds and different eligibility depending on the program. As such, it is critical that grantees work closely with the regional and metro office staff to plan and develop their grant portfolio for FY 2014. In April 2013, FTA also conducted TEAM training for grantees to prepare MAP–21 grants; copies of the materials from that training are available on the TEAM home page.

All applications for FTA funds should be submitted to the appropriate FTA regional office. FTA utilizes TEAM-Web, an Internet-accessible electronic grant application system, and all applications are filed electronically. As noted in Section III of this notice, FTA will continue to use its TEAM to award and manage all grants, cooperative agreements, and other funding instruments throughout FY 2014. However, beginning in October 2014 FTA expects to award and manage grants through the Transit Award and Management System (TrAMS) its successor to TEAM. Grantees should review Section III of this notice for more information on TrAMS. As noted earlier, to facilitate the transition to the TrAMS, recipients are asked to have all grant applications submitted in TEAM by June 30, 2014 so that FTA has adequate time to award the grant by the end of FY 2014. FTA cannot guarantee that applications not awarded in TEAM by the end of FY 2014 will be migrated into TrAMS.

FTA regional staff is responsible for working with grantees to review and process grant applications. In order for an application to be considered complete and for FTA to assign a grant number, enabling submission in TEAM-Web and submitted to Department of Labor (when applicable), the following requirements must be met:

- Recipient's contact information, including Dun and Bradstreet Data Universal Numbering System (DUNS), is correct and up-to-date. If requested by phone (1–866–705–5711), DUNS is provided immediately. If your organization does not have one, you will need to go to the Dun & Bradstreet Web site at *http://fedgov.dnb.com/webform* to obtain the number.
- Recipient has registered in the System for Award Management (SAM) and its registration is current. (*https://www.sam.gov*)
- Recipient has properly submitted its annual certifications and assurances.
- Recipient's Civil Rights submissions are current and approved.
- Documentation is on file to support recipient's status as either a designated recipient (for the program and area) or a direct recipient.
- Funding is available, including any flexible funds included in the budget, and split letters or suballocation letters on file (where applicable) to support amount being applied for in grant application.
- The project is listed in a currently approved Transportation Improvement Program (TIP); Statewide Transportation Improvement Program (STIP), or Unified Planning Work Program (UPWP).
- All eligibility issues are resolved.
- Required environmental findings are made.
- The project budget's Activity Line Items (ALI), scope, and project description meet FTA requirements.
- Local share funding source(s) is identified.
- For projects involving new construction (using at least $100 million in New Starts or formula funds), FTA has reviewed the project management plan and given approval.
- Milestone information is complete, or FTA determines that milestone information can be finalized before the grant is ready for award. FTA will also review status of other open grants' reports to confirm financial and milestone information is current on other open grants and projects.

Before FTA can award grants for discretionary projects and activities, notification must be given to the House and Senate authorizing and appropriations committees.

Other important issues that impact FTA grant processing activities are discussed below.

1. Combining Program Funds in a Grant

FTA has updated its internal budgeting rules and systems of funds controls to reflect program changes made in MAP–21. Because MAP–21 consolidated several programs and replaced some programs with new formulas or created new formula programs, there will be some instances where SAFETEA–LU program funds cannot be combined in a grant with MAP–21 program funds. Specifically, where a program was repealed and replacement activities are eligible in a new program in a new section of statute, the grantee will be required to develop a separate grant for the MAP–21 program. For example, section 5309 Bus and Bus Facilities funds (SAFETEA–LU) cannot be combined with section 5339 Bus and Bus Facilities funds (MAP–21) because of the inherent difference in the programs, issues with tracking the discretionary program funds, and the process for notifying Congress when the funds are being obligated.

Additionally, program funds from different sections of statute cannot be combined with each other, unless, there is a specific transfer provision in MAP–21 for the program. At this time in FTA's electronic grant system, separate grants are required for each program, unless a program permits an administrative transfer of the funds to another program. For example, since there are no provisions for administrative transfers from or to section 5310 or 5337, these program funds must be applied for in separate grants from each other and from other programs, such as section 5307 and section 5339.

2. Grant Budgets—SCOPE and ALI Codes; Financial Purpose Codes

FTA uses the SCOPE and Activity Line Item (ALI) Codes in the grant budgets to track program trends, to report to Congress, and to respond to requests from the Inspector General and the Government Accountability Office (GAO), as well as to manage grants. The accuracy of the data is dependent on the careful and correct use of codes. FTA is in the process of revising the SCOPE and ALI table to include new codes for the newly eligible capital items, to better track certain expenditures, and to accommodate the new programs. FTA encourages grantees to review the table before selecting codes from the drop-down menus in TEAM-Web while creating a grant budget. Additional information about how to use the SCOPE and ALI codes to accurately code budgets will be added to the resources available through TEAM-Web.

Under sections 5307 and 5311, FTA will continue to use the SCOPE established for job access and reverse projects (646–00) in order to track the use of these program funds for this eligible purpose. Similarly, for section

5310 grants made with FY 2013 and later funds, FTA will continue to use the SCOPE established for ''new-freedom'' type projects (647–00).

In addition to SCOPE and ALI codes, FTA uses financial purpose codes (FPCs) to identify specific funding uses and track the actual obligations and expenditures of funds to a specific use, such as capital, planning, or operating. FPCs are identified at the time program funds are reserved and must be identified when a grantee requests a draw-down in ECHO-web. The available FPCs differ by program, based on the programs eligibility. For example, in a grant for a capital-only program (e.g. section 5337 or 5339), the funds would be obligated using FPC 00. Grantees should be aware that several new FPCs were introduced for MAP–21 grants, particularly for section 5307, 5310, and 5311 to track eligible uses like job access and reverse commute projects and new-freedom projects. Grantees should pay close attention to the FPCs used when their grants are obligated so they use the correct FPCs in their ECHO-Web requests.

3. Designated and Direct Recipients, Documentation and Supplemental Agreements

For its formula programs, FTA primarily apportions funds to the Designated Recipient in the large UZAs (areas over 200,000), or for areas under 200,000 (small UZAs and rural areas), it apportions the funds to the Governor, or its designee (e.g. State DOT). Depending on the program and as described in the individual program sections found in Section IV of this notice, further suballocation of funds may be permitted to eligible recipients who can then apply directly to FTA for the funding (''direct recipients''), so long as the required documentation is on file. However, there are certain programs under MAP–21 whereby FTA will only award grants to the designated recipients for the area or program. These include sections 5310 and 5339.

For the programs in which FTA can make grants to eligible direct recipients, other than the Designated Recipient(s), recipients are reminded that documentation must be on file to support the (1) status of the recipient either as a Designated Recipient or direct recipient; and (2) the allocation of funds to the direct recipient. Additionally, FTA requires a supplemental agreement to be pinned to the grant in TEAM-Web prior to grant execution. The supplemental agreement is required when the recipient of the funds is not the Designated Recipient. It permits the grant recipient (e.g. direct recipient) to receive and dispense the Federal funds and sets forth that the grant recipient is assuming all responsibilities of the grant agreement.

Under MAP–21, with the exception of the new UZAs resulting from the 2010 Census under the section 5307 program, the only program for which NEW designations are needed in the large urbanized areas before a grant can be made is section 5310. Before the first grant application in a large UZAs under section 5310 is submitted to FTA, the Governor must designate an agency charged with administering the Enhanced Mobility of Seniors and Individuals with Disabilities funds. This designation must be on file with the Regional office prior to the award of any section 5310 grants in large UZAs.

For all other programs, documentation to support existing designated recipients for the UZA must also be on file at the time of the first application in FY 2014. Further, split letters and/or suballocation letters (Governor's Apportionment letters), must also be on file to support grant applications from direct recipients.

4. Payments

Once a grant has been awarded and executed, requests for payment can be processed. To process payments FTA uses ECHO-Web, an Internet accessible system that provides grantees the capability to submit payment requests on-line, as well as receive user-IDs and passwords via email. New applicants should contact the appropriate FTA regional office to obtain and submit the registration package necessary for set-up under ECHO-Web.

5. Oversight

FTA is responsible for conducting oversight activities to help ensure that grants recipients use FTA federal financial assistance in a manner consistent with their intended purpose and in compliance with regulatory and statutory requirements. FTA conducts periodic oversight reviews to assess grantee compliance with applicable Federal requirements. Each Urbanized Area Formula Program recipient is reviewed every three years, (also known as FTA's Triennial Review); and States and state-wide public transportation agencies are reviewed periodically to assess the management practices and program implementation of FTA state-wide programs (e.g. Planning, Rural Areas, Enhanced Mobility of Seniors and Individuals with Disabilities Programs). Other more detailed reviews are scheduled based on an annual grantee oversight assessment. Important objectives of FTA's oversight program include, but are not limited to: Determining grantee compliance with Federal requirements; identifying technical assistance needs, and delivering technical assistance to meet those needs; spotting emerging issues with grantees in a forward-looking fashion; recognizing when there is a need for more in-depth reviews in the areas of procurement, financial management, and civil rights; and identifying grantees with recurring or systemic issues. FTA will develop appropriate oversight procedures for the new programs authorized by MAP–21.

6. Technical Assistance

As noted throughout the notice, FTA continues to rely on many of the existing program circulars for general program guidance. FTA is continuing to update the program circulars, with an opportunity for notice and comment, to reflect changes under MAP–21. In the meantime, if you have any questions, please do not hesitate to contact FTA. FTA headquarters and regional staff will be pleased to answer your questions and provide any technical assistance you may need to apply for FTA program funds and manage the grants you receive. At its discretion, FTA may also use program oversight consultants to provide technical assistance to grantees on a case by case basis. This notice and the program guidance circulars previously identified in this document may be accessed via the FTA Web site at *www.fta.dot.gov*.

*G. Grant Management*

Recipients of FTA funds are reminded that all FTA grantees require some level of grant reporting and that it is critical to ensure reports demonstrate reasonable progress is being made on the project. At a minimum, all grants require a Federal Financial Report (FFR) and a Milestone Progress Report (MPR) on an annual basis, with some reports required quarterly depending on the recipient and the type of projects funded under the grant. The requirements for these reports and other reporting requirements can be found in FTA Circular 5010.1D, *Grant Management Requirements,* dated August 27, 2012. FTA staff, auditors, and contractors rely on the information provided in the FFR and MPR to review and report on the status of both financial and project-level activities contained in the grant. It is critical that recipients provide accurate and complete information in these reports and submit them by the required due date. Failure to report and/or demonstrate reasonable progress on

projects can result in suspension or close-out of a grant.

In FY 2014, FTA will continue to focus on inactive grants and grants that do not comply with reporting requirements and, if appropriate, will take action to close out and deobligate funds from these grants if reasonable progress is not being made. The efficient use of funds will further FTA's fulfillment of its mission to provide efficient and effective public transportation systems for the nation.

In October of 2013 FTA identified a list of grants that were awarded on or prior to September 30, 2010 and have had no funds disbursed since September 30, 2012 or have never had a disbursement.

FTA regional offices will be contacting grant recipients with one or more grants that meet this criteria to notify them that FTA intends to close the grant and deobligate any remaining funds unless the grantee can provide information that demonstrates that the projects funded by the grant remain active and the grantee has a realistic schedule to expedite completion of the projects funded in the grant.

**Therese McMillan,**

*Deputy Administrator.*

[FR Doc. 2014–04759 Filed 3–7–14; 8:45 am]

BILLING CODE P

# FEDERAL REGISTER

Vol. 79 Monday,
No. 46 March 10, 2014

Part IV

## The President

Executive Order 13660—Blocking Property of Certain Persons Contributing to the Situation in Ukraine

Federal Register
Vol. 79, No. 46
Monday, March 10, 2014

# Presidential Documents

**Title 3—**

**The President**

## Executive Order 13660 of March 6, 2014

## Blocking Property of Certain Persons Contributing to the Situation in Ukraine

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 *et seq.*) (NEA), section 212(f) of the Immigration and Nationality Act of 1952 (8 U.S.C. 1182(f)), and section 301 of title 3, United States Code,

I, BARACK OBAMA, President of the United States of America, find that the actions and policies of persons including persons who have asserted governmental authority in the Crimean region without the authorization of the Government of Ukraine that undermine democratic processes and institutions in Ukraine; threaten its peace, security, stability, sovereignty, and territorial integrity; and contribute to the misappropriation of its assets, constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and I hereby declare a national emergency to deal with that threat. I hereby order:

**Section 1**. (a) All property and interests in property that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of any United States person (including any foreign branch) of the following persons are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in: any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) to be responsible for or complicit in, or to have engaged in, directly or indirectly, any of the following:

(A) actions or policies that undermine democratic processes or institutions in Ukraine;

(B) actions or policies that threaten the peace, security, stability, sovereignty, or territorial integrity of Ukraine; or

(C) misappropriation of state assets of Ukraine or of an economically significant entity in Ukraine;

(ii) to have asserted governmental authority over any part or region of Ukraine without the authorization of the Government of Ukraine;

(iii) to be a leader of an entity that has, or whose members have, engaged in any activity described in subsection (a)(i) or (a)(ii) of this section or of an entity whose property and interests in property are blocked pursuant to this order;

(iv) to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, any activity described in subsection (a)(i) or (a)(ii) of this section or any person whose property and interests in property are blocked pursuant to this order; or

(v) to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to this order.

(b) The prohibitions in subsection (a) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or

licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order.

**Sec. 2**. I hereby find that the unrestricted immigrant and nonimmigrant entry into the United States of aliens determined to meet one or more of the criteria in subsection 1(a) of this order would be detrimental to the interests of the United States, and I hereby suspend entry into the United States, as immigrants or nonimmigrants, of such persons. Such persons shall be treated as persons covered by section 1 of Proclamation 8693 of July 24, 2011 (Suspension of Entry of Aliens Subject to United Nations Security Council Travel Bans and International Emergency Economic Powers Act Sanctions).

**Sec. 3**. I hereby determine that the making of donations of the type of articles specified in section 203(b)(2) of IEEPA (50 U.S.C. 1702(b)(2)) by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to section 1 of this order would seriously impair my ability to deal with the national emergency declared in this order, and I hereby prohibit such donations as provided by section 1 of this order.

**Sec. 4**. The prohibitions in section 1 of this order include but are not limited to:

(a) the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to this order; and

(b) the receipt of any contribution or provision of funds, goods, or services from any such person.

**Sec. 5**. (a) Any transaction that evades or avoids, has the purpose of evading or avoiding, causes a violation of, or attempts to violate any of the prohibitions set forth in this order is prohibited.

(b) Any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited.

**Sec. 6**. For the purposes of this order:

(a) the term ''person'' means an individual or entity;

(b) the term ''entity'' means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization; and

(c) the term ''United States person'' means any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States.

**Sec. 7**. For those persons whose property and interests in property are blocked pursuant to this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or other assets instantaneously, prior notice to such persons of measures to be taken pursuant to this order would render those measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in this order, there need be no prior notice of a listing or determination made pursuant to section 1 of this order.

**Sec. 8**. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government consistent with applicable law. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

**Sec. 9**. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to submit the recurring and final reports

to the Congress on the national emergency declared in this order, consistent with section 401(c) of the NEA (50 U.S.C. 1641(c)) and section 204(c) of IEEPA (50 U.S.C. 1703(c)).

**Sec. 10**. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

THE WHITE HOUSE,
*March 6, 2014.*

[FR Doc. 2014–05323
Filed 3–7–14; 11:15 am]
Billing code 3295–F4

# Reader Aids

**Federal Register**

Vol. 79, No. 46

Monday, March 10, 2014

## CUSTOMER SERVICE AND INFORMATION

| | |
|---|---|
| **Federal Register/Code of Federal Regulations** | |
| General Information, indexes and other finding aids | **202–741–6000** |
| **Laws** | **741–6000** |
| **Presidential Documents** | |
| Executive orders and proclamations | **741–6000** |
| **The United States Government Manual** | **741–6000** |
| **Other Services** | |
| Electronic and on-line services (voice) | **741–6020** |
| Privacy Act Compilation | **741–6064** |
| Public Laws Update Service (numbers, dates, etc.) | **741–6043** |
| TTY for the deaf-and-hard-of-hearing | **741–6086** |

## ELECTRONIC RESEARCH

### World Wide Web

Full text of the daily Federal Register, CFR and other publications is located at: **www.fdsys.gov.**

Federal Register information and research tools, including Public Inspection List, indexes, and Code of Federal Regulations are located at: **www.ofr.gov.**

### E-mail

**FEDREGTOC-L** (Federal Register Table of Contents LISTSERV) is an open e-mail service that provides subscribers with a digital form of the Federal Register Table of Contents. The digital form of the Federal Register Table of Contents includes HTML and PDF links to the full text of each document.

To join or leave, go to **http://listserv.access.gpo.gov** and select *Online mailing list archives, FEDREGTOC-L, Join or leave the list (or change settings);* then follow the instructions.

**PENS** (Public Law Electronic Notification Service) is an e-mail service that notifies subscribers of recently enacted laws.

To subscribe, go to **http://listserv.gsa.gov/archives/publaws-l.html** and select *Join or leave the list (or change settings);* then follow the instructions.

**FEDREGTOC-L** and **PENS** are mailing lists only. We cannot respond to specific inquiries.

**Reference questions.** Send questions and comments about the Federal Register system to: **fedreg.info@nara.gov**

The Federal Register staff cannot interpret specific documents or regulations.

**Reminders.** Effective January 1, 2009, the Reminders, including Rules Going Into Effect and Comments Due Next Week, no longer appear in the Reader Aids section of the Federal Register. This information can be found online at **http://www.regulations.gov.**

**CFR Checklist.** Effective January 1, 2009, the CFR Checklist no longer appears in the Federal Register. This information can be found online at **http://bookstore.gpo.gov/.**

## FEDERAL REGISTER PAGES AND DATE, MARCH

11679–12030 ..... 3
12031–12352 ..... 4
12353–12654 ..... 5
12655–12922 ..... 6
12923–13188 ..... 7
13189–13496 ..... 10

## CFR PARTS AFFECTED DURING MARCH

At the end of each month the Office of the Federal Register publishes separately a List of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

### 3 CFR

**Proclamations:**
9083 ..... 12927
9084 ..... 12929
9085 ..... 12931
9086 ..... 12933
9087 ..... 12935
9088 ..... 13187

**Executive Orders:**
13660 ..... 13493

**Administrative Orders:**
Memorandums:
Memorandum of February 27, 2014 ..... 12923
Presidential Determinations:
No. 2014–08 of February 24, 2014 ..... 12655
Notices:
Notice of February 28, 2014 ..... 12031

### 5 CFR

534 ..... 12353
9601 ..... 12657

### 6 CFR

115 ..... 13100

### 7 CFR

246 ..... 12274
920 ..... 12033
944 ..... 12033
993 ..... 12034
1220 ..... 12037
1436 ..... 13189

**Proposed Rules:**
1005 ..... 12963, 12985
1006 ..... 12963
1007 ..... 12963, 12985

### 10 CFR

72 ..... 12362, 13192

**Proposed Rules:**
72 ..... 13002, 13260
431 ..... 11714, 12302

### 12 CFR

750 ..... 12657

**Proposed Rules:**
Ch. II ..... 12414
710 ..... 11714

### 14 CFR

11 ..... 12937
25 ..... 11679
36 ..... 12040
39 ..... 11681, 11691, 11693, 11695, 11697, 11699, 11701, 12045, 12363, 12366, 12368, 12370, 12373, 12375, 13196, 13199, 13201, 13204, 13206
71 ..... 12049, 12050, 12051, 12052, 12053, 12054, 12055, 12056, 12057, 12058, 12059, 12060
97 ..... 11703, 11704, 12378, 12381

**Proposed Rules:**
39 ..... 11717, 11719, 11722, 11723, 11725, 11728, 12131, 12414, 12420, 12424, 12428, 12431, 13003
71 ..... 11730, 11731, 11732, 11734, 13262
175 ..... 12133

### 15 CFR

**Proposed Rules:**
1110 ..... 11735

### 16 CFR

1112 ..... 13208
1227 ..... 13208

### 17 CFR

232 ..... 13216

### 20 CFR

404 ..... 11706
418 ..... 11706

### 21 CFR

878 ..... 13218
1308 ..... 12938

**Proposed Rules:**
15 ..... 12134
101 ..... 11738, 11880, 11990
573 ..... 13263

### 24 CFR

1005 ..... 12382

### 26 CFR

1 ..... 12726, 12812, 13220
31 ..... 12726
301 ..... 12726, 13220, 13231
602 ..... 13220, 13231

**Proposed Rules:**
1 ..... 12868, 12880
31 ..... 12880
301 ..... 12880

### 28 CFR

0 ..... 12060

**Proposed Rules:**
32 ..... 12434
540 ..... 13260

### 29 CFR

**Proposed Rules:**
1910 ..... 13006

**30 CFR**

**Proposed Rules:**
943.....13264

**31 CFR**

1.....12943

**33 CFR**

117 .....12062, 12063, 12064
165 .....12064, 12072, 12074
401.....12658
402.....13252

**34 CFR**

**Proposed Rules:**
Ch. III.....11738, 11742

**37 CFR**

1.....12384, 12386

**39 CFR**

121.....12390

**40 CFR**

52 .....11707, 11711, 12077, 12079, 12082, 12394, 12944, 12954, 13254, 13256
180 .....12396, 12401, 12408
450.....12661

**Proposed Rules:**
52 .....11747, 12136, 13266, 13268
60.....12681
70.....12681
71.....12681
82.....13006
98.....12681, 13394
300.....12436

**41 CFR**

**Proposed Rules:**
102–36.....12681

**45 CFR**

**Proposed Rules:**
160.....12441
162.....12441
1626.....13017

**46 CFR**

401.....12084

**47 CFR**

15.....12667
73.....12679
74.....12679

**Proposed Rules:**
20.....12442

**48 CFR**

**Proposed Rules:**
246.....11747

**49 CFR**

573.....13258
577.....13258
579.....13258

**Proposed Rules:**
382.....12685

**50 CFR**

17.....12572
622.....12411, 12957
648.....12958
660.....12412
679 .....12108, 12890, 12958, 12959, 12961

**Proposed Rules:**
17.....12138
21.....12458
217.....13022
622.....11748

## LIST OF PUBLIC LAWS

This is a continuing list of public bills from the current session of Congress which have become Federal laws. This list is also available online at *http://www.archives.gov/federal-register/laws*.

The text of laws is not published in the **Federal Register** but may be ordered in ''slip law'' (individual pamphlet) form from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (phone, 202–512–1808). The text will also be made available on the Internet from GPO's Federal Digital System (FDsys) at *http://www.gpo.gov/fdsys*. Some laws may not yet be available.

**H.R. 2431/P.L. 113–86**
National Integrated Drought Information System Reauthorization Act of 2014 (Mar. 6, 2014; 128 Stat. 1015)
**Last List February 27, 2014**

## Public Laws Electronic Notification Service (PENS)

**PENS** is a free electronic mail notification service of newly enacted public laws. To subscribe, go to *http://listserv.gsa.gov/archives/publaws-l.html*

**Note:** This service is strictly for E-mail notification of new laws. The text of laws is not available through this service. **PENS** cannot respond to specific inquiries sent to this address.